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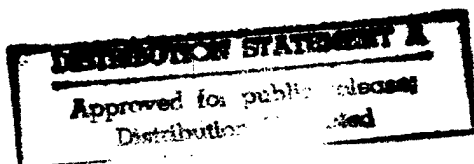
JPRS 83847

8 July 1983

West Europe Report

No. 2170

19990510 146



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8 July 1983

WEST EUROPE REPORT

No. 2170

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SPECIAL PROTECTIVE MEASURES DURING EEC PRESIDENCY

Athens AKROPOLIS in Greek 16 Jun 83 p 8

/Article by Dim. Stavropoulos/

/Text/ The Zappeion where the EEC presidency meeting is scheduled to convene beginning 1 July has been converted into a "fortress" by the Ministry of Foreign Affairs and the police. According to AKROPOLIS' exclusive information, an overall plan has already been laid out for the protection of the foreign officials who will be in Athens and also for protecting the secrecy of the sessions.

Three high-level officers (two police and one gendarmerie) have already left for Stuttgart where they will meet with their German counterparts from whom they will "get" all the secret security plans and lists of individuals considered suspect in possible terrorist activities. These lists were prepared by the secret authorities of the 10 countries.

About 20 high-ranking foreign police officers --specialists in EEC security matters-- are expected to arrive in Athens early next week. They will remain in our country for 6 months to work with the police chief, Mr E. Revelakis -- deputy director of the Athens police directorate-- and with Mr Ioannis Andonopoulos, chief of general security, both of whom have been placed at the command of units that will undertake the protection of the foreign partners.

In the meantime, work on the Zappeion area is continuing at a vigorous pace.

Special police are setting up "secret" rooms everywhere both outside the building and inside its halls.

The "eyes" of the police will be linked with the police directorate "operations center" where suspect activities will be constantly monitored.

The discreet protection of foreign ministers who will be coming to Athens every so often will be undertaken by policemen who have foreign language abilities. These policemen have been detached from other services for this purpose.

Also, a special unit of technicians (in electronics, telecommunications, etc.) will be set up in the Zappeion where they will check secret communications (telephones, telex, etc.) on a daily basis so as to protect the secrecy of the sessions. Also, prior to each session the meeting rooms will be checked for bugging by services of other countries.

TURKISH COUNSELORS QUESTION AGCA IN ROME

Istanbul TERCUMAN in Turkish 15 Jun 83 pp 1,11

[Passages enclosed in slantlines printed in boldface]

[Text] ROMA (AKAJANS) - Due to the reopening of the lawsuit related to the attempt against the Pope's life and the murder of Editor in Chief of the daily paper MILLIYET, Abdi Ipekci, Assistant Legal Adviser to the Istanbul Martial Law Command Tevfik Tunc Onat and Judge Major Onder Ayhan came to Italy and had a long talk with Attorney-General Ilario Martella yesterday in Rome. The interrogation of Agca was also begun.

At the Court of Justice, on the famous Plazele Clodio square in Rome, in the office of Martella who is in charge of carrying out interrogations related to the attempt against the Pope's life, during the meeting which lasted for almost 2 hours, the Italian Attorney-General gave his Turkish colleagues extensive information concerning the Ali Agca file and he obtained information from them about the investigation in Turkey.

At Martella's request, regarding the talks and the interrogation, yesterday morning a message headed /"Urgent"/ was sent from the Ministry of Foreign Affairs in Ankara to our embassy in Rome, with instructions not to make any kind of declaration to the press about the contacts and the meeting which took place, emphasizing that /"This was deemed necessary in order to carry out the investigation successfully."/

The reason for initiating a second lawsuit in Turkey also, against Mehmet Ali Agca, who is being prosecuted according to the laws of the country in which he committed a crime, is that, in accordance with international agreements, if the citizen of a nation commits a crime against the head of state of another nation, beside the nation in which the crime was committed, a lawsuit must be opened also in the country of which he is a citizen. The perpetrator of the attempts against the Pope's life, Mehmet Ali Agca, aside from the penalty handed down by Italian justice, will also be tried by Turkish tribunals and condemned in accordance with the Turkish Penal Code.

In connection with the murder attempt against the Pope, beside Mehmet Ali Agca, Omer Bagci and Musa Serdar Celebi, who were apprehended at Turkey's request in Germany and delivered to Turkey, are also being held in the Rebbibia penitentiary.

Because he was to be interrogated, Mehmet Ali Agca was transferred yesterday under tight security measures from the Rebbibia penitentiary to the Ascoli Piceno prison, and in the afternoon, in the office of the prison director, he was interrogated by Assistant Legal Adviser to the Istanbul Martial Command Tefik Tunc Onat and by Judge Major Onder Ayhan. Italian Attorney-General Martella and one of the experts in Italian Terrorist Operations, Attorney General Imposimato were also present at the interrogation. The information was released that during yesterday's interrogation questions specifically related to his activities before he left his country were directed at Agca.

In the light of the information and the testimonies the Turkish delegation had in hand, Ali Agca was submitted to a stream of questions about points which remained obscure. The Italian attorneys-general also noted the answers Agca gave to those questions. The interrogation will continue today and tomorrow as well.

On the other hand, the main channel of the Italian television RAI-1, as well as newspapers mentioned in their news both the delegation that came from Turkey and the relevant news items.

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CSO: 3554/339

APO TERRORIST OCALAN REPORTED IN SYRIA

Istanbul TERCUMAN in Turkish 15 Jun 83 pp 1,12

[Text] It has become apparent that the Syrian Secret Service Muhaberat-i Suriyya uses as agents, together with Abdullah Ocalan (Apo), leader of the Kurdish communist terrorist organization known as the "Apoists", numerous fugitive communists, traitors to their country.

Terrorists who fled Lebanon after the fighting there, on the orders of the Syrian secret service, were brought to Syria. Rifat El Esad, who literally founded a foreign "terrorists' army" made up of terrorists from various nations, chief among them the men of George Habbas, is turning Syria into a "country that exports terrorists"... Muhaberrat-i Suriyya shelters Spanish, Italian, Armenian and Turkish communists and trains them in the camp it founded, with the help and advice of the Soviet KGB chiefly, and that of international terrorist Carlos the Jackal. Armenian ASALA members, Turkish communists and the marxist militants of Habbas are trained as "guerillas" in the Tedmur El Sahara camp near Damascus.

Abdullah Ocalan and Other Terrorist Agents

According to reports prepared by Western news services, the number of foreign terrorists who have found refuge in Syria and are getting "guerilla training" comes to 6,000. The majority of those are Marxist Palestinians, Apoists and Armenians. It is also noted that Abdullah Ocalan, the perpetrator of numerous murders, robberies and arson, who first fled to Beirut after the 12 September operations, then to Damascus after the Israeli occupation, has entered the employ of the Syrian Secret Service...

According to the information given out, Ocalan, who supports the Kurdish-Armenian unity of action, in an attempt to revive his organization has established on behalf of the Syrian Secret Service strong connections with Kurdish leaders in Iran, among them Celal Talabani, who is said to be a Soviet agent.

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BRIEFS

OIL PRODUCTION, IMPORTS FIGURES--Minister of Energy E. Kouloumbis announced yesterday that the production of crude petroleum from the Prinos deposit has not increased but stands at 24,000-25,000 barrels a day. Together with other extraction elements (water, gas, hydrogen sulfide), production amounts to 280,000 barrels as published a day. With regard to imports of crude petroleum for meeting domestic needs, Mr Kouloumbis stated that in the first 5 months of 1983 we obtained about 3 million tons. Specifically, 500,000 tons from the free market, 500,000 tons from ESSO, 550,000 tons from Prinos and 1,200,000 tons through bilateral agreements with the USSR, Libya, Algeria and Saudi Arabia. Following the drop in international prices, the average cost for the import of a metric ton of crude petroleum during the first 5 months of 1983 was 218 dollars, compared with 248 dollars in 1982 and 279 dollars in 1981. Minister of Energy Kouloumbis will discuss the procurement of natural gas from the Soviet Union with a Soviet delegation that will arrive in Athens next Tuesday. The meeting to take place Tuesday at the Ministry of Energy will be attended by both Minister Kouloumbis and the Soviet deputy minister of the gas industry. /Text/ /Athens
I KATHIMERINI in Greek 24 Jun 83 p 7/ 5671

CSO: 3521/358

TEK OFFICIAL ON PARAMETERS OF POWER CUTBACK

Istanbul TERCUMAN in Turkish 13 Jun 83 pp 1,10

[Text] Ankara--According to a decision taken by the Turkish Electric Power Enterprise [TEK], the industry sector will be subject to power cutbacks as of today. TEK Director General Kamil Toktas stated that the cutbacks will affect work places with an installed capacity of 500 kilowatts or more. Toktas added that no power cutbacks are contemplated for the moment in residential areas.

Responding to TERCUMAN's questions about power cutbacks, Toktas said that Turkey's current electrical energy demand is 29.922 billion kilowatt-hours per year and that the country's total electrical energy production is only 28.922 billion kilowatt-hours per year. Toktas stated: "As is seen, there is an energy shortfall of 1 billion kilowatt-hours per year. It is as a result of this discrepancy between supply and demand that cutbacks are going to be implemented."

Falling Water Levels

Noting that Turkey's electrical energy needs are met by hydroelectric and thermal power stations as well as by imports from abroad, Toktas said: "The electrical energy imported from abroad is mostly from the Soviet Union and Bulgaria."

Stating that the electrical energy shortfall has been estimated on the basis of average water levels in dams in the past years, Toktas said:

"This year, water levels in the dams are 30 percent lower than last year. This deficiency translates into an electrical energy shortfall of 2 to 2.5 billion kilowatt-hours. To compensate for this shortfall, energy imports and production in thermal power stations have been raised by 12 percent over last year's levels. Thus, the shortfall has been reduced to 1 billion kilowatt-hours."

Savings Urged

Stating that no power cutbacks will be implemented in residential areas and that, however, all citizens must do their best to relieve the shortage, TEK's Director General said: "I, therefore, invite all citizens to use energy sparingly. I believe that citizens will not waste energy in their homes."

Toktas said that the power cutbacks will be reduced as water levels in dams rise and that work places with an installed capacity of less than 500 kilowatts, coal and mineral mines, refineries, airports and hospitals will be exempted from cutbacks.

Toktas added that, according to a decision by the Ministry of Industry, TEK will sign separate protocols about cutbacks with each of the industrial work places where cutbacks will be implemented.

Mehmet Saglam's Words

Asked by TERCUMAN how the power cutbacks will affect the industrial sector, Mehmet Saglam, Secretary General of the Turkish Union of Chambers, replied: "At this point in time, we do not have a definite idea about the scope and extent of the cutbacks. We are waiting for an official statement by TEK on this issue."

Recalling that in the past power cutbacks were implemented in industrial work places during weekends, Saglam said: "TEK has found out that this implementation produced no positive results toward energy savings in the past."

Stating that export-oriented industry branches must be exempted from cutbacks or at least be subjected to a minimum of cutbacks, Saglam added:

"Power cutbacks affect capacity utilization to a certain extent. We must talk again with TEK. Major export-oriented industries must be given special consideration. That way the negative effects of the cutbacks on industry can be reduced to a minimum."

Cutbacks in Television Programming

Television broadcast hours have also been rearranged as a result of power cutbacks. As of this evening, television broadcasting will begin at 8:00 pm and end at 11:00 pm on weekdays. On Saturdays, the broadcasts will begin at 6:30 pm and end at 12:00 midnight, and on Sundays, the broadcasts will begin at 5:00 pm and end at 12:00 midnight.

9588

CSO: 3554/328

KEBAN HYDROELECTRIC STATION UNABLE TO OPERATE

Istanbul TERCUMAN in Turkish 13 Jun 83 pp 1,10

[Report by Servet Kabakli]

[Text] The hydroelectric power station at Keban Dam, Turkey's largest energy production unit, may stop operating if production is not cut back and the necessary steps are not taken.

As a result of very low levels of water--the lowest in 36 years--in the streams feeding the lake behind the dam, all production units began to be operated at full capacity, and this began to put a strain on the power station. A shortfall of 8 billion cubic meters of water emerged in the lake behind the Keban Dam, which supplied nearly half the country's total electrical energy with four production units in 1974.

The lake behind the Keban Dam received 7.5 billion cubic meters of water in the first 6 months of last year, and 2.5 billion cubic meters of water were drained through the dam's sluices. This year, the lake has not reached the minimum required water level for the first time in 4 years.

While Keban's average annual production should be 5.8 billion kilowatt-hours, last year it produced 8.2 kilowatt-hours with 6 operational units. This year, the station's production pace has been increased even further: seven to eight units are operational during daytime and five to six are operational during nighttime. Even so, the required production levels cannot be achieved. Officials stated that if the station continues to operate at full capacity and if water levels do not rise the danger level of "800" may be exceeded and that that may result in shutting down the power station completely.

According to information obtained from Turkish Electric Power Enterprise officials, Turkey's total electrical energy demand for 1983 is estimated at 29.822 billion kilowatt-hours. Total energy production for 1983 is estimated at 28.425 billion kilowatt-hours including imported energy. According to these estimates there will be an electrical energy shortfall of 1.350 billion kilowatt-hours in 1983, meaning that there will be mandatory power cutbacks.

IMPACT OF ELECTRICITY CUTBACKS SURVEYED

Istanbul CUMHURIYET in Turkish 15 Jun 83 p 1

[Text] ISTANBUL NEWS SERVICE - The generator market has blossomed with the electricity cutbacks. Some of the generator suppliers noted that they get as many as 100 to 150 orders a day. The demand stems mainly from tourist enterprises. The current produced by generators costs ten times as much as municipal electricity. There is only one sector that does not complain about cutbacks: that of generator purveyors... As soon as it became apparent there would be cutbacks, generator suppliers who received a stream of orders point out that they will be able to meet the demand with domestic generators.

Some of them say that they get as many as 100 to 150 orders a day. It is mainly the small enterprise type of generator which boosts orders. And the demand for those originates chiefly from tourist restaurants, gift shops, carpet vendors and similar businesses. A domestic generator which can provide current for 40 40-watt fluorescent tubes or for 25 60-watt bulbs, costs 165,000 Turkish Liras.

As for the cost of the current generated by this apparatus which consumes 3 liters of gas in 2.5 hours, it is approximately ten times higher than that of municipal electricity.

Generator prices vary according to power and make and, among those which are of foreign origin, "silent" models are generally preferred. Complaints from the neighborhood about the noise of generators which are placed in front of shops stimulate the demand for "silent" generators.

One solution to the problem of noise is to put generators on the roof. Thus generator noises which grate on the ears turn into a dull hum. In the case of complaints due to noise, municipal authorities can impose a monetary fine as high as 5,000 Turkish Liras.

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CSO:3554/334

EEC'S DAVIGNON ON PROSPECTS FOR EUROPEAN SOLIDARITY

Paris LES ECHOS in French 20 May 83 p 4

[Interview with Etienne Davignon, vice-president of the EEC, by Tristan Doelnitz:
"The Threat of Its Decline Will Lead Europe Sooner or Later to Decide to Strengthen
its Union"; date and place not specified]

/Text/ How can Europe hope to be taken seriously and to play the role it might hope to play on the international stage, if it continues to display disunity? In his interview with LES ECHOS, M Etienne Davignon, vice president, European Commission, emphasizes this question, adding that the Europeans share with the Americans something like an obsession for the short term, and that this weakness is all too often multiplied by a factor of 10.

Will awareness of the relative decline of Europe's economic importance by comparison with its principal partners, the United States and Japan, lead some day to that burst of energy passionately desired by those who would wish to record the achievements of Europe and refuse to stop at its faults, handicaps and failings?

The few high marks registered with respect to Japan from the moment the EEC showed itself united at the time of negotiations, prove that we should not despair of European unity. Still, we have a long way to go yet.

The existing gap between the statements favorable to the greater monetary integration in the EEC and the differences that are all too real, albeit reduced, between the economies of the Ten painfully reminds us of this fact.

Will Williamsburg mean another chance for the Stuttgart summit by confirming that a partial representation of EEC member countries limits the scope of action? A certain weariness may be observed on the old continent that could possibly be dissipated by the hope of some revival provided it were the Ten's genuine political will to escape from the present impasse.

Doelnitz: What is it that holds back European progress with respect to the guidelines defined by the Commission? May we hope that this blockage or political obstacle will one day be surmounted?

Davignon: In the present European situation we have three types of theoretical situations. The first concerns matters that are handled with some difficulty, such as farming and the iron and steel industry. These are sensitive issues, and the differences are sometimes enormously acute, but in the end we manage to cope with them all the same.

The second category concerns those issues on which the governments themselves have not yet arrived at a definite attitude. This is where we find concrete realities in the course of profound transformation, so that governments which already have the greatest difficulty in defining a national policy, are bound to ask themselves whether they should tackle the definition of a more universal policy.

To cite some examples: Telecommunications in complete upheaval and bioengineering. At the national level no definite response has yet been established, and in any case national responses would not be adequate, because the dimension of the challenges far exceeds the capacities of any one country.

The third type of problem requires the political acknowledgment of the need for it to be handled at the European level. Here there is an enormous difficulty in passing from the theoretical acknowledgment to the definition of the precise and concrete means to achieve the end.

Doelnitz: What is the nature of this difficulty?

Davignon: It is due first of all to a general feature. With regard to all these questions, the prospects considered are never more than short-term prospects. In our system of society political power--and not it alone--has trouble in considering anything beyond the short term. That, evidently, is the European weak spot.

It is weak at the level of political institutions because, at a time of crisis, the pressure is for immediate results. Our entire democratic structure is so constituted. As far as I am concerned this is a reality of the decisionmaking process. Nobody has time enough to look beyond the short term with regard to various objectives. That is the European impasse.

The Japanese, by contrast, pursue another policy: The short term is influenced by a medium and long-term strategy.

The United States, again, is also basically obsessed by short term considerations. Just like Europe. However, it has a capacity, not enjoyed by Europe, for making abrupt adjustments, whether by way of the banking system or the market or on the level of politics. It does not do that which we manage wonderfully well: It does not publish hundreds of reports--not to correct mistakes but to identify them the moment they are committed! That is the real difference.

"Common Needs but Fragmented Action"

Doelnitz: How can we escape these deadlocks?

Davignon: The real question for Europe is that of finding out whether it will be taken seriously enough for the European Community, in other words not subject to short-term considerations in favor of long-term strategies.

Let us take the example of the SME /European Currency System/. The British attitude consists in considering it to be very interesting. The English will join it...but "when the moment is right." Now, the SME does create certain constraints to which economic developments need to adjust. That is enough to avoid disasters. It is not enough to represent a dynamic element.

Another example in the field of energy or industry: How to agree on common measures regarding some actions that everybody considers necessary in principle? Common needs are easy to define, but action often remains fragmented.

At the European level, 10 ministers of agriculture will discuss the price of milk, ten ministers of industry the distribution of the steel market.

However, once returned to their capitals, whom do they confront as political interlocutors? Officials who do not have the time to adjust the European dimension of a problem to their political strategy.

Doelnitz: From what moment on would national officials feel concern?

Davignon: The question remains the same. Basically it is a matter of politics. Which of the two pressures will prevail? At issue this year, for example, is the question whether we will recognize that certain elements are required so as to create additional security with regard to existing development needs.

Once this is done, will we be able to express it in a manner enabling us to adopt some decisions that are now quite feasible from the technical aspect?

There is a paradox in European affairs--once a conjunction of good will exists, responses to very difficult questions are always found. We go to the very brink of the precipice but then recoil and do not jump. We did, for example, begin a debate precisely on the attitude toward certain partners.

Doelnitz: What are the points on which agreement might be reached to let matters advance?

Davignon: To begin with we have a first and fundamental issue of identity: Do we or do we not wish to adopt a position vis-a-vis the United States and Japan?

As regards Japan, the European attitude in 1983 has absolutely nothing in common with that of 1980.

At that time Japan was bilaterally courted by each CEE member country. In the absence of a united European response, the Japanese were enabled to retain their strategy.

"Williamsburg Is not the Best Method"

By the end of 1982 the governments had discovered that their earlier approach had done nothing for them. The wish for a common strategy arose as the result.

The Japanese did not believe it. When, in early January 1983, M Abe arrived in Europe, he was all surprised to be told in London and Paris that nothing could be done there: The documents were in Brussels, he was informed. The FRG did the same and also told him to "go to Brussels." Regardless of what we might think deep down.

Moreover, we assumed the presidency of the Council of Ministers. "We will not go back on our word." The Japanese then negotiated hard in February and, within 36 hours, had changed their attitude, and we arrived at an agreement.

This agreement on moderation by the Japanese supplied a whiff of oxygen to our industry. It will now have to adjust so as to conquer the technological heights.

The second aspect--relations with the United States. The Soviet pipeline affair--just another incident--crystallized a great deal. We discovered that the problem was much more basic and generally touched upon international exchanges of technology. As regards the exchange rates, we have lost the entire economic advantage of drop in oil prices.

Taking all this into account, is it likely that we will in future have a better defined attitude to the United States? I believe so. The difficulty lies in the fact that a conference like that at Williamsburg is by no means the best method.

While this kind of summit is not bad, it is not favorable to a distinctly European profile. When several Europeans sit around a table and represent their countries as such, they are less European than when they have a single spokesman.

It is better to have consultations of the Williamsburg kind than not to have any. But, for the one as well as the other side, they tend more to indicate what the participants would like to see happen than involve resolute negotiations. It would be in the interest of the Europeans to have a more defined structure.

Thereafter, and that is the second issue, comes the great economic debate. Everybody knows by now that, unless there is a certain revival of growth, we Europeans will suffer all the accumulated disadvantages, because in terms of technology we are not up to standard, because investments here need to be greater than there, and because social and political restraints will become more and more pressing.

Recovery: Blocked Outlook

The figures are daunting. When the crisis began, Europeans, Japanese and Americans were generally on the same level. Ten years later we are third, and the outlook appears blocked. To what extent will we appreciate that this element is so important as to call on us to set aside many of our disputes on economic policy, on the extent of cooperation or noncooperation?

Lastly it is perfectly obvious that, if we wish to keep our technological capacities, we must have a proper competitive system at the European level (if we do not, we would simply harbor illusions about the reality of the stake) and also a certain element of cooperation to enable us to tackle this competition. That is the problem of high technology, of research relations, the wastage caused by duplication, the mentality of our industrials that needs to be changed.

As to the last points, we need to reflect and ask ourselves: Can we help identify the strategic points important for us; define some definite objectives? That can be done much more easily within a common framework such as Europe.

Doelnitz: What, according to you, could make for a federative element?

Davignon: What leads to decisionmaking? The need to do so. The great concept of Europe was born at a time of great danger. Also, necessity pushes people beyond their bondage to the short term.

Is this necessity sufficiently felt now? Europe has gone beyond the stage of discussion for discussion's sake. The absence of a decision in Europe now involves definite consequences. Two years ago it could still appear as if there were none.

Unless certain decisions are taken in Europe in the months to come, I am sure that we will realize later that a certain decay of our structures was due to this failure to take these decisions. Two years ago I would not have said that. The pressures and necessities to which we are all subject mean that there is no alternative to what appears as the move toward decline; matters simply cannot remain as they are.

However, and that is the interesting point, we are bound to note that France now tends to be disappointed with Europe. In other words, it expected something. And precisely because there is now the fear that the decline might achieve a certain dimension, we may hope for new decisions.

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CSO: 3519/519

BARLAS UNEASY OVER GOVERNMENT INTEREST POLICY

Istanbul MILLIYET in Turkish 13 Jun 83 p 1

["Today" column by Mehmet Barlas: "As Interest Rates Fall"]

[Text] Bank officials meeting in Ankara today will discuss to what extent lower interest rates--if they are reduced--will translate into cheaper credit.

Judging from statements by Minister of Finance Adnan Baser Kafaoglu--who is fond of talking frequently about banks--the primary goal of today's meeting is to cut interest rates on time deposits by five points.

If this cut is actually made, interest rates on credit may be expected to drop by three to five points in the money-credit market.

At first sight, it is impossible to approve a cut on time deposit interest rates.

The falling value of the Turkish lira against other currencies and an inflation rate of 30 percent and over are already acting as disincentives against domestic saving. Furthermore, there is a clearly visible increase in the demand for durable consumer goods.

However, on the other hand, it has become impossible to borrow and invest at the current high interest rates.

In other words, while savings are encouraged without cutting the interest rate on time deposits, investments must be fostered by reducing the interest rates on credit. Furthermore, paths must not be blocked toward healing the wounds of the Turkish banking sector which suffered real losses of almost 100 billion Turkish liras in 1982.

In our opinion, there are some short cuts.

For example, if the 20-percent withholding tax currently deducted from interest income is reduced, the depositor will not have his income cut and the bank's operating costs will be reduced.

Also, the fact that interest income exceeding 3 million Turkish liras must be declared again after the withholding tax has been deducted and hence is subject

to double taxation is seen as a disincentive by the depositor. This issue can be reviewed using common sense and the facts.

We would not want to discuss the unfair competition posed by government bonds against bank deposits. Because we know that the issue of creating resources is as important for the government as for the banks.

But we must understand that the administration of the economy must be distanced from preconceptions and obstinacies.

If both cheap deposits and cheap credit are desired, the price to be paid will be the shifting of domestic savings from the banking sector to the underside of mattresses.

While reducing interest rates on time deposits tax and Central Bank easements must be provided in order to preserve the attractiveness of these accounts in the eyes of the public.

If the government tries to solve the banks' problems and to cut credit costs simply by reducing interest rates on time deposits, then it will have an even bigger problem of "resource shortage." And resulting woes may lead us into an emission-inflation spiral.

9588

CSO: 3554/331

BANK COMPETITIVE ABILITY AFTER INTEREST RATE DROP

Istanbul CUMHURİYET in Turkish 13 Jun 83 pp 1,7

[Report by Meral Tamer]

[Text] As the administrators of nine large banks meet in Ankara today to discuss a new drop in interest rates on time deposits with Central Bank President Osman Siklar, the possibility remains that if interest rates are reduced further the banks' competitiveness against the government will be reduced in attracting time deposits.

While the flow of time deposits to banks has slowed down considerably since the beginning of the year, government bonds have been having an easy time finding buyers. Figures show that, since the beginning of the year, the government-insured bonds have attracted as much funds as the banks. More explicitly, of the 60 billion Turkish liras channeled into time deposits since the beginning of the year, 30 billion Turkish liras have gone to the banks and the rest have gone into government bonds. The fact that the yield on the government-insured bonds marketed since the beginning of the year was competitive with the interest rates paid by the banks played an important role in this development.

If it is decided at today's meeting to cut interest rates even further, the public's attention will be focused on the terms and interest rates of the government bonds expected to go on the market at the end of the summer. If those bonds maintain their competitiveness with bank interest rates, then the banks will find it harder to compete with the government in attracting time deposits.

Figures compiled by Central Bank sources on bank deposit developments show that time deposits held by banks increased by 30 billion Turkish liras in the period between 1 January and 13 May 1983. This means that time deposits held by the banks rose by 2.7 percent since the beginning of the year. In contrast, time deposits held by banks rose by 27.6 percent in the first four months of last year.

Naturally, government bonds marketed with attractive terms are not the only cause of this severe drop in the flow of time deposits to banks. Among the other factors restricting the flow of time deposits to banks are: 1) the fact that the interest offered on demand deposits (20 percent) has become attractive; 2) the fact that interest rates on time deposits were cut at the beginning of the year; and 3) the fact that interest income has lost its former attraction

as a result of inflationary expectations, and people are looking for alternative forms of saving their money.

However, it is worth recalling that the government bonds marketed since the beginning of the year carried attractive terms.

A good example in this respect is the government-insured bonds marketed by the government-owned Emlak Kredi Bankasi. These 1-year bonds carried a net annual interest rate of 34 percent with interest paid every 3 months. In view of the fact that during the same period banks paid a net annual interest rate of 31.7 percent on 6-month time deposits with interest paid at the end of the term, one must not be surprised that the option paying 34 percent a year with interest paid every 3 months like old-age pension looked more attractive to the depositor. In fact, this option must have looked extremely attractive, since the batch of bonds worth 5 billion Turkish liras was sold by Emlak Kredi Bankasi within a week.

After these bonds, the government put on the market a second batch, the Government Domestic Borrowing Bonds, on 26 February. These 3-year bonds, sold by the Central Bank and Anadolu Bankasi, carried an annual interest rate of 33 percent with interest paid every 6 months. These bonds also appear to be an attractive option for the depositor who is not contemplating to invest his money anywhere else in the next 3 years and who is expecting further cuts in the bank interest rates. Not surprisingly, in the three months that have elapsed since the day these bonds were put on the market, bonds worth 22.5 billion Turkish liras--out of a total of 30 billion Turkish liras--have already been sold. The sale of these bonds continues at branches of the Central Bank and Anadolu Bankasi. However, since everyone will be paid the amount specified on the first interest coupon on 15 September 1983, those wishing to buy the bonds today will have to pay the interest that has accumulated since 15 March (90.5 Turkish liras for each day since 15 March for a 100,000-Turkish-lira bond).

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CSO: 3554/331

OZAL SURVEYS ECONOMIC SCENE, PROMOTES HIS POLICY

Istanbul CUMHURIYET in Turkish 13 Jun 83 p 7

[Text] Izmir--Motherland Party leader Turgut Ozal said: "We can solve the unemployment problem if we can raise the growth rate to 8 percent."

Speaking at a meeting with party administrators at the party's headquarters in Izmir, Ozal expressed his views on various issues. Ozal was on vacation in Cesme for two days. On entering the meeting hall, Ozal was asked by party members whether he "had rested." Ozal replied: "I rested. It is hard to leave Cesme and come back. I was at the beach yesterday." Later, Ozal began telling a joke, but was interrupted by a call from Ankara.

Yilmaz Hekimoglu, a pharmacist from Akhisar county who said he is a sympathizer of the party, told Ozal that birth control is necessary to prevent unemployment and that he is going to propose a slogan. When Hekimoglu stated his slogan as "one [child] is too few, two are too many", Ozal interrupted him and asked: "How many children do you have?" Hekimoglu replied: "I have only one child. One is too few, two are too many." Ozal said later on:

"This is an important issue. However, unemployment figures are a little exaggerated. The exact unemployment figure in Turkey is not known because there is no unemployment insurance in this country as in Western countries. The unemployment figures are based on certain estimates. The official figures are estimates made by the State Planning Organization.

"Furthermore, you are saying that Turkey's population growth rate is too high. In my opinion, Turkey's population growth rate is dropping every year. For example, the 1980 census indicated that the population growth rate has dropped from 3.6 percent in the 1950's to 2.2 percent in 1980. The question that must be asked is why did this figure drop. The population growth rate fell not because a program was implemented. Urbanization as well as the extensive use of modern equipment have had an effect in this trend. For example, the population growth rate can be controlled very well by having longer television broadcast hours. Life is hard in urbanized areas. Families are having fewer children. I think that Turkey's population growth rate will drop to 1 percent by the end of the century."

Claiming that Turkey can even support a population of 100 million if intelligent policies are implemented, Ozal said: "If we can raise our economic growth rate to 7 or 8 percent we certainly do not need a birth control program." Ozal continued:

"Turkey's natural resources are conducive to raising the growth rate to over 7 percent. We have sufficient manpower, but we have no methodology. But now we have learned some ways. If we implement our program, this process will accelerate, and by the end of the century Turkey will have to either automate or import labor from abroad."

Ozal said that if the "mentality" about foreign capital is changed no one will be able to hold Turkey back and that "Turkey may be the Japan of the West." Ozal added: "When inflation is running at 30 percent, price increases can be felt, but if it is reduced to 10 percent price increases will not be felt. This year it appeared that the inflation rate would fall, but the current trend indicates the opposite. I think that the inflation rate for the year will be 30 percent."

Ozal also said that the private sector should enter the education and even the health sector and that his party will reduce the number of ministries from 30 to 17 if it comes to power.

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CSO: 3554/329

LAND REFORM BILL SETS DISTRIBUTION PARAMETERS

Istanbul CUMHURIYET in Turkish 13 Jun 83 p 1

[Text] The Council of Ministers has completed its deliberations on the Land and Agricultural Reform Draft Bill. The bill will be sent to the General Assembly of the Consultative Assembly in the next few days.

According to the bill, which is based on guidelines prepared by the Ministry of Agriculture and Forestry and the Undersecretariat of Land Reform, the acreage to be distributed to landless peasants or those with little land will be as follows: a minimum of 35 donums [1 donum equals 940 square meters] and a maximum of 320 donums of dry land and a maximum of 93 donums of irrigated land.

Minister of State and Deputy Prime Minister Ilhan Oztrak, speaking to CUMHURIYET in Ankara, said that the bill needs some touchup and that it will be sent to the Consultative Assembly after this final work is over.

Our Urfa correspondent M. Cengizhan Akalin reports that the bill respecifies the amount of land that owners will keep in land and agricultural reform regions. The amount of land that the owner can keep will be determined by multiplying the various amounts specified for districts by 9 in the case of irrigated land and by 6 in the case of dry land. These amounts will be calculated assuming that the land index is 50 and will be reduced if the index of the land to be kept by the owners is more than 50.

While the guidelines prepared by the Undersecretariat of Land and Agricultural Reform authorized the Council of Ministers to raise by 50 percent the amount of land that can be kept by the owners, this clause was changed by the Council of Ministers. A new article authorizes the Council of Ministers to raise the said amount without specifying a limit.

According to this new provision, the Council of Ministers will be able to exercise this authority within 30 days after an area of immovable property is declared a land and agricultural reform region. The amount of land that the owners can keep, assuming that the land index is 50 and the Council of Ministers has not exercised its authority to raise the amount, are as follows in various parts of the country (province names indicate the districts of the province capitals):

Irrigated land: 180 donums in Adana, Ceyhan, Osmaniye, Hatay, Nusaybin and Icel; 207 donums in Aydin, Izmir, Soke, Aliaga and Ayvalik; 315 donums in Urfa, Suruc, Viransehir and Nizip; 351 donums in Samsun, Rize and Sakarya; 369 donums in Adiyaman, Bursa, Diyarbakir, Ordu, Edirne and Balikesir; and 837 donums in Sarikamis and Ardahan.

Dry land: 210 donums in Ardesen, Hopa and Arhavi; 390 donums in Antalya and Hatay; 780 donums in Adana, Aydin, Icel, Izmir, Kocaeli, Samsun and Sakarya; 1,260 donums in Urfa, Amasya, Isparta and Usak; 1,740 donums in Van and Agri; and 1,920 donums in Erzurum and Kars.

Some changes made to the bill by the Council of Ministers exempts vineyards and fruit orchards from nationalization under certain conditions. Furthermore, "national security" has been included as grounds for change of ownership of land and the issue of coalescing of land tracts has been organized in more detail.

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CSO: 3554/332

SECTORAL CONFLICT IN BORON MINING EXAMINED

Istanbul DUNYA in Turkish 13 Jun 83 p 5

[Article by financial consultant Ertan Ozdemir: "Public or Private Sector in Boron Mining?"]

[Text] The draft law which was prepared with the aim of neutralizing the negative effect of Law No. 2172 in connection with the nationalization of mines on the Turkish mining sector, increasing exports and foreign exchange revenues and fostering a mixed economic model whereby the government and the private sector will work side by side in the mining sector and which envisages the operation of certain mines by the government has been discussed by the Consultative Assembly and has been submitted to the National Security Council.

An appreciable amount of work and effort has been expended for a long time on the exploration, operation and overseas promotion of mines by the private sector. The government and Etibank in particular have contributed significantly on this issue.

The issue of whether the mines should be operated by the government or by the private sector under government control has often been an item on Turkey's economic agenda; the decisions have sometimes been in favor of the private sector, but most of the time the government has been given the authority to operate the mines.

The decision on who is going to operate the mines is made on the basis of the technical, economical and strategic aspects of the issue. Minerals which require high technology and therefore large investments and which are strategically important should inevitably be mined by the government. However, the government should not be given authority to operate a mine simply on the basis of the economics of the issue. The reasoning that "since it is helping the government financially it should be operated by the government" cannot be put forth as a plausible explanation.

In general, government-operated mines in Turkey run higher costs than those run by the private sector. Furthermore, official statistics show that prices charged for minerals exported by the government are not higher than those charged by the private sector. For example, between 1961 and 1979, when the mines were nationalized, the private sector exported larger amounts of boron ore than the public sector and at a higher price.

Boron Ore Exports 1961 to 1982

Year	Private Sector		Public Sector	
	Amount (metric tons)	Price (dollars/ton)	Amount (metric tons)	Price (dollars/ton)
1961	53,757	34.03	6,470	32.66
1962	67,032	31.21	29,732	28.19
1963	58,636	30.57	41,107	27.19
1964	71,668	30.56	49,991	24.71
1965	87,041	30.62	80,220	23.58
1966	112,225	30.02	66,110	23.66
1967	132,760	29.88	78,572	23.84
1968	149,699	31.46	90,575	24.20
1969	185,535	32.26	113,871	25.62
1970	211,883	32.75	122,408	26.49
1978	418,384	105.12	217,725	100.57
1979	238,045	147.24	257,820	121.09
1980	92,126	166.36	504,445	176.06
1981	48,065	139.75	328,470	166.15
1982	55,605	152.37	234,819	172.71

Source: Figures for 1961 to 1970 were obtained from the annual reports of the Price Registration Department of the Turkish Mine Operators' Association; figures for 1978 to 1982 were obtained from the Ministry of Commerce, the Mineral Exporters' Union and the Bandirma Customs Directorate General.

As is seen from the table above, until 1978 the private sector was more successful than the public sector in boron ore exports with respect to both the amount exported and price. Since 1979, when all boron mines were turned over to the government, the private sector has operated only mine strips. There have been significant rises in government and Etibank exports in 1979 and 1980. Etibank exports have dropped from their peak of 504,445 metric tons in 1980 to 328,470 metric tons in 1981 and 234,819 metric tons in 1982.

Today, 95 percent of all proven boron ore reserves are controlled by Etibank. Etibank owns mine fields which can meet the world's boron needs for 500 years. Even so, privately operated minefields are being nationalized.

As is known, in principle, all mines belong to the government. However, the private sector has been given the right to extract minerals and to operate mines. As a result of this situation, the government gets a royalty for each mineral extracted as specified by laws and furthermore taxes the plus difference between the firms' mining costs and selling prices.

The existing differentiation between the public and private sectors must be ended, and efforts must be made to utilize jointly the dynamism and the resources of the two sectors.

On this issue, the government must build the needed infrastructure installations --such as roads, transportation and energy--and must help the private sector to

take over management operations or, if necessary, must cooperate with the private sector.

In his speech on 22 February, our Honorable President referred to the significance of our mines and set goals in connection with the operation of mines. The President said: "Turkey is rich in minerals. But for many years we have not been able to put those riches to work. We either could not find the minerals or we could not manage what we found rationally or did not give them to those who should manage them. Now we are seeing that the Mining Research Institute, like our other organizations, is in pursuit of new discoveries. We have received good news. If we can make a breakthrough in the mining sector, our development will gain impetus. Because we cannot have a place among the developed countries with annual exports of around \$8 billion. Even South Korea's exports amount to \$21 billion a year. We are still hovering around \$7-8 billion. We must climb higher by making use of whatever potential we have. If we cannot do that, we will be forced to stay where we are."

A general reform in the mining sector is imperative in Turkey. Mining must be encouraged, exploration efforts must be intensified, infrastructure investments must be made, advanced mine extraction methods must be used and effective government supervision must be insured. Also, the government must operate those mines which require large investments outside the capabilities of the private sector and which are of strategic importance, and the private sector must operate the rest under government supervision so that the resources and the dynamism of both sectors can be utilized.

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CSO: 3554/329

GOZE ON DEPRESSED STATUS OF TURKISH MIDDLE CLASS

Istanbul TERCUMAN in Turkish 13 Jun 83 p 7

["Street Corner" column by Ergun Goze: "Middle Class"]

[Text] This is the second day of Ramadan. Ramadan is the month of forgiveness and grace. But it is also the month of "reflection." A month of Ramadan that passes and is worshipped with reflection will certainly bring God's grace. One of the issues that must be thought about during the month of Ramadan is the social disease caused by wealth differences. It is a fact that jealousy is at the root of communism and immorality in Turkey. Asking, "why does he have it and I do not" is, I suppose, in the nature of human beings. When these differences reach a point where they start tearing at consciences, "revolution" first starts taking shape in people's souls. Consequently, the goal of the communists who want to arouse a revolution is to accentuate these differences, to fire up jealousies and to open up resentments. There are two kinds of people for the communists: the boss and the worker. And they try to make the communist sapling grow in the canyon between the two.

Western countries which are aware of this fact support the "middle class" in order to promote social justice as well as to hang communism by its own rope. I do not want to go into the economic description of the middle class. In Turkey "small businessmen and artisans" are generally considered to be the middle class. In our country, "small businessmen and artisans" have had a glorious past. Their work, dedication and virtues have been the building blocks of the Turkish state. Virtue is the best example of morality.

It is also a fact that poverty may force people to do what they have never done. Our forefathers have pointed to an important psychological fact by the saying: "May God never let anybody have less than what he has had." Therefore, neglecting our small businessmen and artisans would be both unfair and very unwise. We see small businessmen and artisans as both workers and bosses standing between the worker and the boss. They are their own workers and their own bosses. He may be repairing shoes, but he is still a small businessman, but even if he has an apprentice he is not a boss. Small businessmen who are very close to being workers represent another social reality. A street peddler is considered to be a small businessman even if he has capital. Here, I would like to remind the municipal police officers that they should give these peddlers the opportunity to make a living before chasing them off the streets.

In this country, street peddlers are chased more often than arms smugglers. They should rather be organized and guided they should be given a place and they should be shown interest. Any measures that may make them feel bad about the government must be avoided. They must be encouraged to hold their scales straight and to sell clean food to the people and their wares must be standardized.

Financial, municipal and police measures against small businessmen must be reduced to a minimum and it must be understood that they are the arteries of society. One characteristic of small businessmen and artisans is that they are free. These are free human beings. They are the citizens of free governments. Such people cannot be found under communist regimes. Conversely, communism cannot survive in environments where such people live in comfort.

Another sticky problem is the issue of rents. Housing rents have been skyrocketing as a result of inflation. It is the new housing rents that have been rising. Today, if you build a new building you are free to charge whatever rent you want. Old housing rents, on the other hand, cannot be raised by more than 20 percent. It is clear that the lawmakers have tried to reach a compromise while trying to protect the tenant. However, sometimes it is the landlord who is forced into pitiful situations. Today, we have citizens who pay 5,000 Turkish liras a month in rent for a house that is worth 30,000 Turkish liras a month boasting proudly that "this is their legal right." This, in effect, is torture if a landlord is forced to live on that rent. Let me give an even more striking example: Our banks, which pay and receive interest rates of 50 percent, have been paying comical rents which can be raised by only 20 percent--and not the going market rate--for the buildings they occupy. High interest rates and low rents...This is very strange and outright torture. Meanwhile, the landlord has been telling the public servant with a monthly salary of 39,000 Turkish liras: "25,000 per month, one year's rent in advance and a deposit of four month's rent." That, too, is torture.

While small businessmen and artisans are helped in their credit needs and investments by financial and administrative measures, rent conflicts must be set on softer ground in order to insure social peace. May you have an auspicious month of Ramadan.

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CSO: 3554/332

TFSC MINISTERS COMPLETE SELF-DETERMINATION RESOLUTION

Istanbul CUMHURIYET in Turkish 15 Jun 83 pp 1,11

[Article by Izzet R. Yalin "Draft Resolution on Self-Determination Completed in Cyprus"--passages enclosed in slantlines printed in boldface]

[Text] NICOSIA - The TFSC Council of Ministers held a meeting the other day with /Rauf Denktas/ who is back from Sweden, and completed the draft resolution on self-determination which will be submitted to the /Federated Turkish Cypriot Assembly/. The Council of Ministers is dwelling on the text prepared by professor /Turhan Feyzioglu/, which he took to Ankara to submit to Turkey's views, and by giving a /"further dimension"/ to the conciliatory aspects of the /"Feyzioglu text"/ it is striving to have it ready for submission to the Assembly. Following the talks with Nicosia Deputy /Fuat Veziroglu/, who left the Communal Liberation Party and when contacts initiated with officials of the political parties are completed, the Assembly resolution which implies the right of self-determination will be forwarded to the legislative body...

It has been learned that in retouching the final text of the resolution, very few changes will be made.

In the course of the work being done to change the /"5 November 1976 Resolution of the Federated Assembly"/ which the TFSC Council of Ministers has taken in hand again, it has been decided to follow directly the course of an assembly resolution embodying the right of self-determination. Together with this resolution, "keeping the path open for talks between the two states or between representatives of the two states" was approved.

The Referendum Law

The Council of Ministers, in its last meeting, also dwelt on passing the /"Referendum Law"/ before the Assembly recesses.

On the other hand, the spokesman of the Social Democrat Party, former deputy and son of TFSC president Rauf Denktas /Raif Denktas/ claims, in a press release he issued that /"A declaration of independence is a social action"/ and he adds /"it should carry a revolutionary significance"/. /"A government which does not have the people's trust should not ask the people for self-determination"/ says Raif Denktas, who also states /"otherwise the people will have relinquished this right into unclean and untrustworthy hands."/

Raif Denktas also emphasized that /"The referendum must be clear and explicit so as to make it possible for the people to answer with yes or no"/ and he warned those who /"By submitting obfuscating referendum questions to the people who want independence, attempt a continuation of the life of the Tulip Era "/ and he concluded with /"You have exploited the National Cause far too long. It is enough now."/

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CSO: 3554/338

GOVERNMENT RESHUFFLE RUMORS CREATE POLITICAL STORM

Political Climate Seen Inviting Rumors

Athens TO VIMA TIS KYRIAKIS in Greek 12 Jun 83 p 11

/Text/ Two days of guessing and rumors with the minimum of moderation even in pro-government circles were promoted by the categorical denial by the prime minister of a possible immediate government reshuffle during the weekend.

The certainty that had been created over certain changes and shifts in the government existed not only in newspaper headlines but in many ministerial offices. Perhaps for that reason A. Papandreou, in his statement of the day before yesterday, did not merely repeat the denial of 7 May that "a government reshuffle is not among my intentions," but was altogether categorical about it. The prime minister spoke about "some ND 'staff' that channels such orchestrated rumors" whose objective is to create "feelings of uncertainty, insecurity and disorientation."

Even though no one knows the true facts --as a government spokesman insinuated-- on which the government based its opinion about a staff of orchestrated rumors, it is a fact that an atmosphere of some expectation of change had been created on which this rumor was based.

Of course, the theory about "dark propaganda by the Right" does not appear adequate to convince everybody. But even in case this rumor were a "false fabrication," there remains the question to be answered about the convincingness of the government denials so that in the final analysis the intervention of the prime minister becomes necessary.

It appears, however, that the feeling "that a reshuffle is coming soon," that was written about by most newspapers and that prevailed in certain ministerial offices is not unrelated to certain information and facts about the government's course up to now.

It is known to "those well-in-the-know" that certain ministers have submitted lists on the changes in organizations and enterprises in their area of activity and that certain others --who, according to published reports, will be ousted-- have slackened up in their work to the point where they are even indulging in "black humor" about their ministerial future.

On the other hand, political observers relate that Prime Minister Papandreou's recent views about the government's operation (in his press conference and in the circular to the ministers) constitute a product of study and meditation that will inevitably lead to some "rearrangement" in the government's shape. Exactly because these evaluations coincide with the 1 year since the last "restructuring" it is natural that they foster impressions.

The fact that there has been a practice of having a government reshuffle about once a year is also an added supporting factor for these "rumors."

Nevertheless, it is a fact that a series of existing particulars --that are not restricted to the "orchestrated rumors by the Right" or to the "yellowing" of certain newspapers-- has created in a great segment of public opinion the conviction, the so-called "climate," that the government reshuffle is necessary and that it will not be long in coming.

The evaluations differ inasmuch as some are citing "operational" reasons while others narrow the matter down to a mere rotation of personnel or to "divisive calculations of ministers."

With a conclusion being that this "climate" about an imminent reshuffle will continue, one can basically contend that the sooner the necessary transfers and changes of ministers and deputy ministers occur, something that is being talked about widely regardless of the time element of the reshuffle, the better it would be for the government's task itself and also for the climate of the country's public life.

'Dark Designs' Charges Rejected

Athens ELEVTHEROTYPIA in Greek 11 Jun 83 p 1

/Editorial: "Is the Press Guilty?"

/Text/ There is need for sincerity. We owe an explanation to our readers. And we, just as other newspapers, that have nothing to do with the party of the Right. An explanation that is made necessary by yesterday's announcement by the prime minister with which the information about an imminent reshuffle was disavowed, a reshuffle that everything shows was merely put off for a few weeks.

Surprised journalists, deputies, ministers--and certainly public opinion-- heard that the information was a product of the dark business of the Right. And consequently ELEVTHEROTYPIA, TA NEA, ETHNOS, RIZOSPASTIS, I AVGI, MAKEDONIA and THESSALONIKI played the Right's game. The surprise is due to one very simple fact: government cadres and not ND people, until late Thursday night, gave newspapers information about a reshuffle. (It is in this way that news comes out in political reporting and not only through announcements). So, were all these ministers and deputy ministers....a fifth column of the Right within the government?

If the prime minister, with his statement, wanted to say that he is satisfied with the efficiency of all his ministers and he does not have to change anyone, it is his right to do so. (He himself recently spoke about the bad functioning in the government).

The newspapers did not ask that a reshuffle should or should not take place. They wrote the news that a reshuffle was being prepared. Responsible and named journalists communicated constantly with reliable persons to double check not merely the news itself that a reshuffle was going to occur but what ministries and what persons were involved. And they got concrete answers.

We will remind both those "up top" as well as our readers that this newspaper did not hesitate asking forgiveness from those who support it with their daily preference when it published information that proved to be inaccurate. When, in other words, it promoted the denial of the government spokesman that "the drachma will not be devalued."

We record for the sake of history that both then and now the denials were clothed in the same argument: Undermining activity by the Right was the publication of the news about devaluation then. The same is being said now about an issue that is neither surprising in political chronicles nor reprehensible.

Then --with the justification of monetary expediency-- the government libeled those newspapers friendly to it --all those, like ourselves, who believed it-- as unreliable. Now it libels all. And this has never happened before. Never has a government libeled --and indeed so unjustly-- newspapers that elected it, that supported and do support it. The instigators of the attack deserve an original prize for their accomplishment. Let them, however, ask themselves if in this way they are damaging the newspapers or the government itself.

In truth, where do those who had this inspiration want to end up with? Not to have the people believe the newspapers that supported the fight for Change? And who do they think offered them this possibility? The trustworthiness of television or the meager party sheets?

This road is dangerously slippery. If television consolidated authority, then the Right would never have fallen. And if the party press was so strong, then the KKE would be governing.

This said because good accounts make good friends.

PASOK 'Allergic to Criticism'

Athens MESIMVRINI in Greek 11 Jun 83 p 1

/From the "Last Minute" column/

/Text/ We would have been ready to agree with the prime minister that publication of unconfirmed information hurts those newspapers that harbor it and that it undermines their authority. And we would not have said this maliciously because MESIMVRINI did not become the victim of rumors about a reshuffle at a time when many other colleagues had about unreservedly adopted them, anticipating, with foot-long headlines, the government reshuffle --that did not take place. But because it theoretically happens that the prime minister's position is correct. Indeed, those of us who do not belong to the school which believes that publication of a big lie a day --so long as it is impressive-- is indispensable for successful circulation, would not have had any reason to deny that the publication of lies is unacceptable. And yet. That yet should have been typed up in capital

letters. The last who could have protested this phenomenon would have been the government of "Change." Because when it was in the opposition camp it not only was used to inducing newspapers friendly to it to publish false information in order to damage the ND governments of the time. But even when it did assume office it did not stop misleading the press, making misuse in "denials of expediency" for news that a few days later --sometimes a few hours later-- was confirmed by events. And what became the joke of the year was that news was not considered to be true unless it was preceded by a "denial" by a government spokesman.... How can one therefore believe the government --even when, rarely, it is right-- and how can one check the news when the trustworthiness of government sources is disputed by events? The prime minister has contended that the day before yesterday's rumor about a reshuffle was not fortuitous but that some ND "staff" had evidently conveyed the rumors to the press. To the pro-government ELEVTHEROITYPIA, to the pro-government ETHNOS and other pro-government publications? And to PASOK deputies who had become upset? No matter how many people insist that the government of the Movement suffers from a persecution complex and a "conspiracies" and "undermining" mania --and it imagines that ND hides behind every stone that moves-- it is impossible for us to examine this attitude seriously. But it is serious: the prime minister's attack on the press. It comes after the Koutsogiorgas attacks (recently) and those of Maroudas (previously), and it is difficult to dissociate them from the new press legislation that the government secretly prepared. How can we not be concerned that this piece of legislation, regardless of reassuring pronouncements, would not have restrictive characteristics, in concert with the notorious Article 4 against strikes? And how can we not acknowledge the fact as significant that the PASOK government, even though comparatively-speaking it has come under fire more indulgently than past ones, is allergic to every form of criticism, that it is losing its composure and that it is tending toward high-handed measures so as to confront criticism that it democratically puts up with?

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CSO: 3521/351

LIST OF CRITERIA FOR NOME CLASSIFICATION, RESULTS

Athens KYRIAKATIKI ELEVTHEROTYPIA in Greek 12 Jun 83 p 5

/Article by Giorgos Mavros/

/Text/ Financing of the 51 nomes of Greece will be determined by a graduated evaluation system for the period 1983-1987, a period that covers the 5-year economic and social development plan. The initial points of the plan were made public the day before yesterday. Today, KYRIAKATIKI ELEVTHEROTYPIA is exclusively publishing this evaluation process that was prepared by KEPE /Center for Planning and Economic Research/ in a purely scientific matter and that will constitute the criterion for the government which will then proceed to synthesize the technocratically prepared data with its political options so as to finally come up with "which nome will get how much money."

For the very first time in the history of Greece a truly scientifically prepared planned economy is being laid out on the basis, however, of a democratic dialogue that has taken place throughout the country up to the present time. Considered to be the poorest nome is Grevena which amassed a "sum total of 730 points" that results from an on-the-spot assessment of 20 basic areas, more simply put, 18 prosperity indicators, namely the following: population change, urbanization, per capita income, increase of income, per capita deposits, automobiles, electric power consumption, telephones, hospital beds, doctors, new construction, streets, water supply, irrigation farming, agricultural land, employment in processing fields of endeavor, hotel beds and time distance from Athens.

Each one of these factors was given a rating of 1 for the most favorable aspect and ranging to 51 for the worst, i.e. the lowest rating of the prosperity indicator in a specific area.

Rich and Poor

Coming next to last on the list is Evrytania Nome which amassed 708 points, i.e. 22 less than Grevena Nome, because, very simply put, the last rating indicator (distance from Athens) was less than Grevena Nome.

Considered the richest nome is, of course, Attiki Nome which amassed 244 points. Nevertheless, it rated 51 points with regard to water supply, thus making it the worst in Greece.

Surprising for the ill-informed person is the fact that Korinthia Nome comes in at second place with a total of 278 points thanks to its big per capita income (4), its many automobiles (5) and its new construction projects (3). However, in Korinthia too the water supply system is very bad, amassing 43 points.

Coming in third place from a prosperity standpoint is Akhaia Nome with 294 points, while from a poverty standpoint Rodopi Nome comes 49th with 674 points. The latter nome has the fewest telephones of any other nome, while Akhaia has high points (i.e bad ones) only as regards per capita deposits (37), irrigation farming and agricultural land. On the other hand, Rodopi is close to the minimum in every case with the exception of urbanization where it got 18 points.

Salonica Nome (297) has the most doctors of any other nome and the biggest population change. It comes in second in urbanization, automobiles, electric power consumption and telephones.

Coming in fifth and sixth place from a prosperity standpoint are Magnisia Nome (310) and Kavala Nome (313), but if the indicator "distance from Athens" is removed then Kavala goes up in the scale. From a poverty standpoint, the corresponding positions are held by Arta Nome (661), Levkas Nome (615) and (strangely) Ileia Nome (606), with Thesprotia Nome (602) coming very close.

In short, coming after the above-mentioned nomes, ranging from the most prosperous to the most poverty-stricken ones are the following: Imathia (319), Fthiotis (322), Dodekanisos (325), Argolis (339), Pieria (345), Kozani (350), Kerkyra (361), Evvoia (367), Larisa (369), Voiotia (378), Irakleion (389), Khandia (400), Arkadia (433), Drama (438), Kastoria (443), Ioannina (444), Lasithion (454), Pella (457), Khalkidiki (479), Messinia (484), Khios (489), Fokis (489), Kyklades (492), Redthymni (506), Xanthi (509), Evros (514), Zakynthos (516), Trikala (523), Lakonia (527), Kilkis (531), Preveza (531), Serrai (539), Kefallonia (545), Samos (563), Karditsa (575), Lesvos (584), Aitolioakarnania (587) and Florina (591).

Attiki Nome was number one in the following: urbanization, automobiles, electric power consumption, and telephones. Its second place in per capital income is altogether fictitious since it has all the industries of Voiotia Nome that comes in before it.

Dodekanisos Nome has four first spots: hotel beds, of course, and hospital beds, per capita deposits and increase of income.

Kastoria comes in first in employment in processing industries and in second place in per capita deposits, while Attiki comes in third and Khios fourth because of the merchant marine.

Surprising is considered the position of Imathia Nome which comes in third in per capita income and which has the best water supply system. It comes in third and fourth in per capita income and increase of income respectively.

Khania and Argolis come in third and fourth place in automobile registration, while Evrytania and Levkas have the fewest.

Kastoria and Grevena have the fewest doctors, while Kerkyra, Levkas, Zakynthos (third) and Kefallonia have the best roads. The position of Attiki, Khios and Grevena from a water supply standpoint appears discouraging. Khalkidiki, Ileia and Kastoria have the fewest hospital beds.

Requirements

These, therefore, are the facts that have resulted from the multifaceted endeavors of many months by the 51 nomarchs of the country for the amassing of all the detailed data requested by KEPE which obviously worked with the same zeal.

Nevertheless, the economic requirements of the nomes were also arrived at through popular meetings and other democratic work which also lasted a long time. As Thanasis Tsouros, secretary general of the Ministry of Interior, recently said, these meetings and work "were always very mature."

The amounts requested for first priority tasks are as follows (in millions of drachmas): Attiki, 99,955; Voiotia, 8,146; Fthiotis, 6,689; Fokis, 3,770; Evrytania, 3,160; Evvoia, 8,777; Kyklades, 3,022; Salonica, 22,115; Khalkidiki, 2,540; Kilikis, 8,733; Pieria, 12,120; Imathia, 4,420; Pella, 5,027; Florina, 4,986; Kastoria, 4,467; Kozani, 9,905; Grevena, 4,215; Korinthia, 12,894; Argolis, 10,998; Akhaia, 35,193; Ileia, 4,079; Messinia, 1,085; Lakonia, 4,405; Arkadia, 4,361; Aitolokarnania, 9,161; Zakynthos, 820; Kefallonia, 3,546; Larisa, 7,268; Magnisia, 7,518; Trikala, 10,130; Karditsa, 3,925; Kavala, 9,473; Serrai, 14,680; Drama, 11,361; Iraklion, 11,305; Lasithion, 7,416; Rethymni, 7,797; Khania, 11,042; Ioannina, 17,192; Arta, 9,335; Preveza, 10,701; Thesprotia, 4,740; Kerkyra, 2,400; Levkas, 1,407; Rodopi, 10,390; Xanthi, 5,405; Evros, 8,605; Lesvos, 10,000; Dodekanisos, 7,769; Samos, 1,575; and Khios, 590. Of course, according to the study prepared by Mrs Louka Katseli, KEPE director, the amounts requested by the nomes are "greatly divergent with regard to the specific needs and developmental capabilities of each nome." It is therefore deemed proper that "a re-evaluation of the proposals be undertaken so that the difference in the amounts given in the report and those proposed might be narrowed."

The government, which has already had all the data under consideration, will not make its decisions with only economic criteria. It is, nevertheless, self-evident that those nomes that are considered backward cannot automatically be favored in a program independent of the projects being proposed as well as their justification. Also, those nomes that are in the first rank will not automatically be subject to corresponding cuts if they have proposed highly productive projects.

The question that remains and whose answer only the government can give is the following:

"What will it do if it has to choose between a health project in a problem nome that is indispensable for social reasons and a purely economic project,

as, for example, a highly financially productive agricultural-industrial complex in a developed nome?"

In a developed country of the West the answer perhaps would be "both would be financed." In a developing Greece which has limited resources, unfortunately a choice must be made. And the government will do this as we will see when it announces the 5-year plan in detail.

5671

CSO: 3521/351

ROCA STARTS CONTACTS TO ESTABLISH REFORMIST PARTY

Madrid YA in Spanish 12 May 83 p 8

[Text] At a press conference called yesterday to discuss the election results attained by CIU [Convergence and Union], Miguel Roca announced the imparting of a new impetus to "Operation Reformist," which he expects will be fully under way by 1985. Sources close to the Catalan leader stated that 3 months could be taken as a reasonable period for the creation of the "Reformist Party" that is to glue the operation together. Roca is to meet in the very near future with various "partners" whose names he declined to reveal, although he did make reference to the representatives of "those small victorious options" that ran in the "political center lane" on 8 May. Antonio Garrigues for the PDL [Liberal Democratic Party], Gregorio Toledo for Canarian Convergence, Jeronimo Alberti for Mallorquin Union and, possibly, Gomez Franqueira for Galician Coalition, will be among those attending that meeting. Subsequently, the operation's spectrum will be widened to include independents and former members of the UCD [Democratic Center Union] who are distancing themselves from politics, not excluding some other political organizations that may already exist and that might join it at some future date. The party would not run candidates in the Basque Country and Catalonia, where Roca deems the reformist party line is adequately covered by the PNV [Basque Nationalist Party] and the CIU respectively.

Roca took exception to the results released by the Ministry of Interior with respect to CIU, terming them "incorrect and unfortunate." Whereas the latest official figures show 2,747 CIU councilmen, Roca asserted that the number is 3,319 according to figures taken from within the Ministry of Interior itself.

Miguel Roca read off the results of 8 May, according to which the PSOE [Spanish Socialist Workers Party], AP [Popular Alliance] and CDS [Social Democratic Center Party] lost standing with respect to 28 October, and a substantial part of the potential vote is perceived to have swelled the abstention figures, without the UCD's October vote having been retrieved. This proves, in the opinion of the Catalan leader, that "there exists in Spain a social reality--the sociological center--that is awaiting a political option that identifies with its own views, and that is demanding another party line," which Roca identified as the "reformist" line.

The Catalan leader asserted the existence of an "open season on nationalists" introduced by AP and the PSOE through the understating of nationalist results, the object of which is to impart authenticity to the view that bipolarization has radicalized, "the only view that cannot in truth be justified."

Operation Reformist "has been taken over" by the PNV in Euskadi, according to the CIU deputy, who denied categorically the possibility of his leaving this coalition to head, from Madrid, the new party that is to catalyze the operation. This Basque support is tacit, for the time being, and is based on statements such as those made by Arzallus in Lerida.

As for the results obtained by the PDL, he deemed them "not negligible," considering that this was its first electoral campaign, and he again praised Garrigues, who "did a great favor for the much needed defense against bipolarization" and is reserving his "proven competence" for the building of the new party line. As for Suarez, he reiterated the view that the CDS must clearly make up its mind either to participate or to go it alone, in which latter case he gives it a very small chance of success. "The important thing is that the party line exist; its leadership is somewhat secondary," he said.

The "Reformist Party" will have as its fundamental principles: The defense of the concept of autonomy within the state; the modernization of its society; and a deep commitment to the exercise of freedoms, positioning itself as a progressive force.

Roca did not reply to the question as to whether the future party he is proposing would ally itself with the Popular Coalition in some future elections, although he subsequently clarified that he looks forward to its being a sufficiently competent force to assume the responsibilities of government and that it would therefore be more consistent with this view for it to adhere to its own reformist line than to seek to pact to its right or to its left like a swing-door option.

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CSO: 3548/411

IGLESIAS POST-ELECTORAL ADDRESS TO CENTRAL COMMITTEE

Madrid MUNDO OBRERO in Spanish 27 May-2 Jun 83 pp 16-20

[Summary given by Gerardo Iglesias to Central Committee of Spanish Communist Party: "New Climate in the PC"; date and place not specified]

[Text] Well, comrades, a number of elements have been brought up for debate here that should be gone into more in depth. However, just because that debate begins here, it does not have to end here. I will not go into it in depth but perhaps mention it in passing so that the contents, the spirit of the report, is clear.

Well, I will begin by explaining that I was criticized for my ideas and arrival at the meeting yesterday and because I arrived late today. Yesterday I was waiting for some telephone calls including calls from Guerra and Felipe Gonzalez. Early this morning, at 9 am, I met with Miguel Roca. Those were my reasons.

Now, after that explanation, I want to begin the summary. I am going to pause only at the controversial parts of the Executive Committee meeting the day before yesterday.

Let us begin with the topic of results, the evaluation made in the report on the election results.

I and other comrades had the impression that there was a certain inclination to minimize the recovery of the Communist Party, the recovery of votes in these elections, in some speeches. When looking for the causes, the factors that made that recovery possible, they minimized the part that I consider important--the recovery of the political vote.

I believe that we have to really stress this recovery because--I repeat what is presented in the report--in 6 months there were 600,000 votes compared to a sometimes very large decline in all the other parties. This is a very important phenomenon that should be emphasized. Society, the citizens and especially the members of the party have perceived this.

This Central Committee has nothing to do with the state of mind; it is not the expression of what happened in this very room the night of the elections and

not because the party leadership was excited with overconfident plans. This room was filled, mainly with youths; there was true, authentic enthusiasm. I believe that everyone in the streets perceives and possibly even exaggerates the recovery of the Communist Party. I do not see any political reason not to strongly emphasize that recovery because it is real. Being real, let us not forget one thing: man does not live by bread alone. I mean that, to the degree that we can verify a step forward, that in itself is a stimulus to gain new strength.

Also I do not believe that the report is overconfident; it verifies data that reveal an interesting and important recovery. This recovery is so important that I feel it would be fitting to recall that some of us reflected on whether everyone was sure on 28 October or the next day that the party was going to participate in the municipal elections. I say whether it was going to participate, not only because of the electoral "debacle" but the internal situation in the party. However, we did participate and we presented at least as many candidates as in 1979. We saw an interesting recovery of enthusiasm and party unity. To all that we can add 600,000 votes. Comrades, if this is not considered important, I feel that something that has often existed before would be demonstrated once more: a breach between what happens within the party as a whole and what happens in this Central Committee. It would not be the first time this breach showed up.

There is no overconfidence in the report. What is more, I have a confession to make to this Central Committee. At the time of writing the report, I had verification of those opinions, that anxiety revealed here by some comrades. I at least had the intention of erring in the opposite extreme to overconfidence.

There are some speeches to take away importance or value from what the National Conference has meant in this vote recovery.

Comrades, I sincerely think that the conference had an influence because that is what the members everywhere tell you. It is not the deduction of those of us who spend too many hours enclosed in this house. Since the National Conference, there has been a new climate in this party and it is beginning to translate into better work and the recovery of membership.

I don't think it is consistent to say that the recovery began the very night of 28 October and then say that the increase in votes occurred basically because of disillusionment with the socialist government's policy. That night the socialist government had not even been constituted so there could not have been disillusionment.

On the night of 28 October, there were some people who, over and above criticisms or disagreements with the party, cared about the Communist Party even from outside and asked for a party card. I believe that the National Conference created a new climate that we cannot deny. That better climate, that better situation, permits us to capitalize on the municipal work better, on the bad way the Socialist Party does things, etc., etc. It permits us to capitalize on them. Look at the difference between one 28 October when we

were all surprised when we opened up EL PAIS and found very important persons whom we all believed were more or less at the side of the Communist Party and they were asking for votes for the Socialist Party and the situation now. In these elections those people no longer ask for votes for the Socialist Party. On the contrary, there is a fringe that are collaborating with the Communist Party in this campaign. I believe this has had a very positive effect; I do not say this is all. I am saying that I think that condition has been very important in order to be able to capitalize on the rest.

I want to end with a question because it would be worthless to ask to what degree the National Conference influenced this recovery if we did not ask the following, comrades. Why is there so much insistence on taking away importance from a national conference that is the heritage of the entire party? Because, of course, it cannot be ignored here that the National Conference was not a conference where the party was divided. The National Conference is a conference that, in a deeply divided party, creates important bases revealed in the votes on the report for a much greater degree of unity. I cannot and do not agree to ignore that heritage for no other reason than simply because it represents an important step toward recovery of party unity. Because it represents an important step toward recovery of party membership. Because it represents an important step, at least in principle, toward resuming work with the masses, toward social movements. For all that and because it is the heritage of the entire party, I do not understand and, in any case, do not agree with taking importance away from the National Conference of the Spanish Communist Party.

Otherwise, what is the way? What is the reference point? In other words, where do we cast off?

The National Conference is obviously not everything. It was not an in-depth debate; an in-depth debate awaits us at the 11th Congress. However, it was important. A number of things happened after the 10th Congress. The crisis became prolonged and the most positive reference point to overcome it was the National Conference. If we abandon that, what is left for us?

It cannot be abandoned, comrades, since some people have been more or less identified with the National Conference. Obviously, I have been as was the immense majority, almost all, of the delegates. There were some delegates on whom no one here can speculate; I say that as an aside. The new leadership or the new secretary general did not organize the National Conference because they had just started. In other words, the conference was already given and was united in one direction. That is the will of the party and it is necessary to keep that flame lit, not blow it out at the onset.

The second question I want to ask, I want to refer to, is the topic of bipartisanship. Whether or not it changed is the way it was presented in the report.

Obviously, we all agree that the party strategy is aimed at ending bipartisanship, bipolarization. We are convinced that bipartisanship does not generate change but, on the contrary, makes change enormously difficult even when a majority will for change has been expressed by society.

On what do I--and the majority of the Executive Committee who agreed with the report--base the idea that a certain improvement in bipartisanship has occurred. No, I do not base this evaluation only on the fact that 600,000 votes, not at all to be sneezed at, have left one of the poles--in this case, the Socialist Party--to go to what is the third force in this country now. I do not base it only on that but on other signs emanating from these elections. First, there are millions of votes still in the waiting room which is here. In other words, no one has recovered the votes of the UCD [Democratic Center Union], at least neither of the two poles. On the contrary, the PSOE [Spanish Socialist Workers Party] lost 2.6 million votes and the AP [Popular Alliance] lost 800,000 votes.

Can part simply be weekend abstention? I will not say no but, after all, all those millions are not the result of weekend abstention. That is my opinion. It has also been revealed that there are other pockets in regions expressing a certain recomposition of a centrist policy which is right here. Angel Guerreiro told us who the third force in Galicia is and the second in some provinces with its more or less centrist nature. In Mallorca there is a similar situation. If we combine this to the fact that the AP has a new situation because it started with the desire to be the large majority, the great right, the great right to govern, it can be understood. I am convinced today, as yesterday, that when Calvo-Sotelo convoked the elections knowing that the PSOE was at the summit and the UCD at the bottom, it was because he felt there was a possible road for the alternative of that great right with all its strength. Of course, in this election the great right was less of a great right; it lost 800,000 votes. The AP already had its battles and there already were sectors--sectors of the bourgeoisie, I mean. One side wanted to get rid of Fraga and the other side was taking its first steps toward other options which were more centrist. This obviously worsened the situation.

It is also fitting for us to emphasize the fall of Fraga; I believe this is a basic element. It is a very important element for the same reason that the PSOE, in its intention to maintain bipartisanship at all costs, is capable of holding on to Fraga even by the hair.

According to my information, there are also some differences in the heart of the Socialist Party. Possibly beginning with these elections, those differences might be greater as to the profitability or the desirability of continuing to keep Fraga against all opposition.

I believe that beginning with these elections, there is either an improvement, a certain weakening, or at least a new chance to fight better to end that bipartisanship that they want to consolidate.

A third question that I want to bring up, which has been another element of debate, is our position toward the Socialist Party.

I believe, comrades, that when speaking of our position toward the Socialist Party, we cannot forget one thing: we can correct our policy as necessary but we must be aware of one basic question. Our strategy--I mean the Euro-communist strategy--is supported among other assumptions and renovated concepts

on the search for a new form of relationship among socialists, Social Democrats, progressive forces and communist parties in Europe. This statement is the 10th Congress. Look! It is not the National Conference if someone says that; it is the 10th Congress. The theses of the 10th Congress--it is known, of course, that this is one of the bases of the Eurocommunist strategy--state: "We advance toward a new system of political relations at the European level. The essential problem is to see if in that process it is possible to again confront the problem of relations among socialists, Social Democrats, communists and other progressive parties--the problem of leftist unity of political and union action in Europe."

In other words, this is a basic pillar of our Eurocommunist strategy. At the time of evaluating our position toward the Socialist Party, we cannot ignore the fact that what I have just said means correcting errors that we have committed in the past. We have said it. There was a time when the nature we attributed to the socialist and Social Democrat parties led us to call them social fascism and things like that.

In other words, I do not want to affirmatively evaluate or correct these words with any of the speeches, but I see a real danger. I say that if we plan to change strategy, then it is necessary to lay that on the table openly. Every statement on relations with the socialists has a very important strategic element.

Of course, it is said or asked whether the PSOE or the policy that the Socialist Party is carrying out in Spain is determined by political, social and international pressures. Or is it something else? Is it the policy of the Socialist Party--that is, its nature?

Well, comrades, I think we must be careful or at least remember recent history. Do those pressures exist? Is there a social, political and international context that seriously pressures a policy, any allegedly progressive policy? If we page through our documents and statements, we see that not long ago we denied the possibility that there would be a socialist government in Spain, comrades. Let us remember the time, not in these elections but in the previous elections, in the second general elections in this country, when the Socialist Party was presented as the socialist alternative. We continued harping on the subject of a coalition government, a policy of collaboration, because we said, among other reasons, that the situation in this country would not permit a socialist government. What we were saying is that there was a context that caused pressure. We continued defending the need for a coalition government and we continue saying today that the changes, the transformations, are not achieved unless, in addition to a parliamentary majority, a much broader social base is created to support it and starts from it. What are we really saying but that it is necessary to confront all those pressures?

Obviously, I am not justifying the policy that the Socialist Party is carrying out. It is not necessary for me to apologize because there are my speeches throughout the electoral campaign and in all the reports. There is obviously a context that pressures. This does not have to lead us to assume that there is a change of nature in the PSOE compared to the recent past because there

is a change compared to the distant past. We have always upheld, comrades, a policy of unity with the socialists and a policy of collaboration even when the Socialist Party denied us legalization of the Communist Party. Have we already forgotten? The Socialist Party agreed that the Communist Party would not be legalized the minute the transition was made.

We have held positions openly in disagreement, but we have continued to defend and theorize the need for unity.

As Marin said here before, that is not only a basic strategic element but it is a very deep-rooted feeling among the workers: "Unity."

We cannot forget another thing. In the last period, in the thesis of the 10th Congress as I just read, it was verified that "there is a reappearance of new tendencies in the heart of the socialist and Social Democrat parties, unions, etc. It is very visible not only in southern Europe but in British labourism, in Greece and in other countries that are seeking new roads facing the present crisis." This was verified at the 10th Congress. Of course, from the 10th Congress until now, the economic crisis and international tension have negatively affected development of these tendencies.

That is here. Facing it, it is necessary to keep it in mind and analyze it to see where to go. The answer cannot be the trenches. I don't think the trenches are ever the answer unless we renounce our Eurocommunist strategy and accept a testimonial role.

Comrades, we can never drop the banner of unity, never. We are always harping on this. I was paging through a speech by Santiago who was with Berlinguer at the 60th anniversary of the party. He said: "Do not get tired or weary if you see that there is someone who does not want unity. If we communists fight for it, the workers will end up imposing that unity."

That has been our line of behavior and work. Comrades, if we do not continue aiming at and expanding that line of conduct even when Felipe Gonzalez supports the deployment of Euromissiles, what policy will we follow? We must not lose sight of one thing. With a substantial part of those 10 million votes, those 7 million that the Socialist Party has now, it is necessary to make changes. It is necessary to take them away from the influence of that policy. They cannot be taken from the influence of that policy by entering into an open confrontation, much less by disqualifying the Socialist Party as a left-ist force. This is a very clear bipolarization of the union movement of the workers and the worker movement. That is what the Socialist party wanted to do on 1 May. We have taken another road; we have not fallen into its trap. We have taken up a unity statement, defending the value of unity over all else.

Also, comrades, aren't there elements, signs that tell us that it is possible to start with part of those 10 million votes in order to convert that policy into a different policy of real change?

Isn't it possible even to start with an important sector of the socialist bases in that sense? Look! In Vigo, the mayor locked himself in the municipal

office but the socialists were out in the street with the others. Look! In Gijon, the leadership was saying that that was an attack against the government and the Asturian Socialist Federation was against that mobilization but the socialists of Gijon were all out in the street, telling the government that this was not true there. They were with the rest of the workers.

In other words, that is the line of work. If we went to an attitude of open confrontation and global disqualification, if we started saying that the PSOE is not a leftist party, the best of the Socialist Party with a very important part of its bases truly leftist--and we were saying that until yesterday (we contradict ourselves so easily)--they will send us to the showers. There is a real possibility that this has also been revealed in the heart itself of the General Workers Union. Even statements by Nicolas Redondo have contained strong criticisms of government policy.

What have we done throughout the campaign? It might give the impression, this debate could give the impression, that we are marching behind the PSOE. The truth is that we have criticized it a great deal. What happens is that it is different, totally different, to take the foreign policy, scrutinize it, look for the contradictions between what the PSOE said yesterday and what it does today, what it promised in its program and what it is doing today. To contrast actions as we did throughout the campaign, saying: Suarez welcomes Yasser Arafat, Felipe Gonzalez welcomes Simon Pheres, what paradoxes! What is happening? It is different if we take the economic policy or the situation of Javier Vinader or we analyze the actions of Barrionuevo. Based on criticism like this, which cannot be precise, it is necessary to go especially in the economic field toward shaping an alternative as we stated yesterday. That is how we will be able to work with those more sensitive sectors. If we start an open confrontation here, comrades, and disqualification, we will isolate ourselves. That road leads us to isolation and to testimonialism; that is my opinion.

Of course, I do not divorce this from the topic of municipal pacts because it is closely related. The speeches and the stands that are aimed more at a confrontation with the PSOE also lead the PSOE to the pacts, pressuring it to consider them broken.

About the pacts, I want to tell this Central Committee to be less impatient. I was talking with Guerra yesterday and Felipe Gonzalez called me today to meet with him. Be more patient; in any case, let them break them. We will be right; let it be the PSOE. The more meetings, the more effort we, the Communist Party, make, the clearer it will be that it is the PSOE that disrupts government unity in the municipal offices. This will unquestionably weaken the positions of the left facing a right that will make pressure. Also this is what we have always done. I do not understand why it is necessary to assume the pacts are broken. If they are all broken, why shouldn't we make pacts at the level possible? At provincial levels, whatever levels. It is a basic problem and we must have great pride in our position as communists but, at the same time, know how to be modest and realistic. We dealt an impressive blow on 28 October which will inevitably have some results, comrades. We no longer have the same strength nor the same political context. There were

elections on 28 October that gave the PSOE enormous electoral strength. That will mean that the conditions for the pacts are no longer the same as on 28 October.

However, it is basic to maintain our unity position because the topic of the pacts is connected to the topic of change in civic life, municipal life, to continue aiming at the achievements of these 4 years.

Also, comrades, in the municipal offices--that is, in towns and cities--is where it is necessary to fight the battle for unity with the socialists to remove trends and sectors that can position themselves more and more against that policy of the socialist government. We must be very consistent to the point of asking: Even if there are no pacts, why aren't we going to vote for a socialist mayor even if he does not need the votes as long as we do not commit ourselves to anything, comrades? Didn't we vote for Felipe Gonzalez even with the problem he presented? Why? Why aren't we right? The battle for unity of the left in the municipal offices does not end in 8 days even though municipal governments have been formed unilaterally by the socialists, without unity with the communists. It does not end. The communist municipal leaders will continue to work and continue telling their neighbors that a government that integrates all the left would have greater possibilities for achievement, improving civic life.

I believe that this is what we have always done. It is necessary to continue doing it. We can never drop the banner of unity.

I will end with the topic of the recovery of members which has been another hurdle.

Let us see, comrades. It is basically a matter of encouraging affiliation with the party in general. I believe that there are better conditions today for joining.

Why is the topic of recovery stressed so much--I stress it in the reports--since the National Conference? I mean, concerning the people who have left? Because it is not the same politically for a comrade to join for the first time as to recover people who have left. It is not the same. I think it is necessary to have this clear.

First, because the departure of many thousands of comrades--many--has created an image, a gap. The return helps us close this gap not only in the mind of the party but society.

Secondly, because there have been many comrades, not just half a dozen or a few hundred; there have been many. It is difficult to construct a party with the desire to be a party of the masses, to continue advancing in this country, if the recovery of a substantial part of all who have left throughout a process of 3 or 4 years is renounced now. It would be difficult because, I repeat, there have been many.

The third factor is that among those who have left, comrades, there is a substantial part who, to be honest, we either recover or we are not going to have

those comrades because they are not here. As I said at the executive meeting in Alicante the other day after a meeting with Lillo, they organized--I feel fortunately--a meeting with a number of former members. There were 100 or 200; I don't know how many. There were enough, many, and all were lawyers, professors, doctors, etc. I don't think there are many more leftist lawyers, doctors and professors in Alicante than those who were there and might come back to the Communist Party. Either we recover them or the Communist Party in Alicante will be without that sector, comrades. It is necessary to see this and see it without defensiveness.

I again repeat something that I have stated several times. There is no reason to assume that if these same comrades who once might have had a stand within the party, who might have created problems (we would also have to look at our own attitude), came back to the party today, they would continue the same. No, no. History does not pass in vain, comrades; everyone learns. Yesterday there was a party with a certain state of mind. We saw the 10th Congress; people came belligerent. Today the feeling within the party is one of tranquillity; the only part that concerns the party as a whole is what is happening in this Central Committee that we still give them unpleasantness. In the party as a whole, including those sectors that left, there is a desire for tranquillity.

Of course, I believe that after these results, new conditions are created that must be well exploited, comrades.

Daniel Lacalle has called me, for example, or sent me word. There are almost 100 people with him who want to return to the party, who want to be with me. (I am going to report on the topic.) I believe that it is the way to work, comrades. We must exploit these results well.

I end with the topic of that expression I wrote in the report: "those who feel they are Eurocommunists." I am in favor, outside of what I said yesterday, of the return of all comrades to the party, all who identify with the policy of the 10th Congress, so that there are no problems. I want to say something because, of course, it begins to be a concern when communist and Eurocommunist are differentiated. We are communists with a Eurocommunist strategy. That is true but it is necessary to explain it. I turn to a speech that is not mine, given on the 60th anniversary of the party: "Sometimes it has been questioned whether we communists propose an ideal today that can be taken up by the present generations. The desire of those of us who have accepted the term Eurocommunist is precisely to propose that ideal." In other words, to be Eurocommunist means, evidently--I am not discovering anything new--to identify oneself with a project that is not very different from other projects that are called communist.

Anyway, my intention remains clear. At least my personal desire is that everyone returns to this party who identifies with the policy of the 10th Congress and the National Conference until there is another congress.

7717

CSO: 3548/434

POLITICAL

SPAIN

DEBATE OVER POSTELECTION PACTS IN BASQUE COUNTRY

Madrid YA in Spanish 11 May 83 p 9

[Article by Julio Fernandez: "Socialists and Popular Coalition Discuss Pacts in Basque Country"]

[Text] This maneuver could put the men of the PSOE [Spanish Socialist Workers Party] at the head of the Bilbao and Vitoria mayoralties.

Talks between the PSOE and the Popular Group centering on the postelection pacts took precedence yesterday in the Congress of Deputies, over the strictly parliamentary work of enacting into law the Rumasa expropriation decree, which had already been dealt with exhaustively in committee and which was passed without changes late last night.

While the confirmation of the decree on pay increases to government employees was being discussed, the deputy prime minister and deputy secretary general of the PSOE, Alfonso Guerra, met, in his Cortes building office, with the secretary general of the AP [Popular Alliance], Jorge Verstrynge, with the head of this party in the Basque Country, Florencio Arostegui--who came expressly to attend this meeting--and with the deputy spokesman of the Popular Group, Miguel Herrero, to discuss possible backing by the coalition of rightist parties for the socialist candidates for mayors of Bilbao and Vitoria, where the PNV [Basque Nationalist Party] has been unable to obtain a sufficient majority. The maneuver, aimed at preventing the nationalists from again controlling the two Basque capitals, would also require the support of Euskadiko Esquerra in Bilbao and its abstention in Vitoria, to ensure a competent majority for a final win in the first round, thus averting a second round, in which the alliances would no longer be operative and the candidate heading the party ballot receiving the most votes would be the winner.

Although neither the deputy prime minister, Alfonso Guerra, nor the Popular Coalition leaders with whom he met attached much importance to their talks dismissing them as a mere exchange of views, The Basque Country's AP-PDP [AP-People's Democratic Party] coalition has practically decided to back the socialist candidates, deeming ideological differences to be less important than the issues involved in what they call the "map of the state," a euphemism concealing their views of autonomy.

Ollara Doubtful of Pact

Nationalist Deputy Juan Mari Ollara characterized these potential accords as "Satanic pacts" and expressed certainty that they would never materialize. The secretary general of the Basque Socialist Party, Txiki Benegas, who arrived at the congressional session following Guerra's meeting with the AP representatives, was briefed on it by reporters and stated that he felt sufficiently represented by Alfonso Guerra. In any case, he said, "we will present our candidates and it will be up to AP and Euskadiko Esquerra as to whether or not there will be nationalist mayors in Bilbao and Vitoria."

Benegas expressed optimism that the small party headed by Juan Maria Bandres will place its confidence in the socialist candidates. Juan Maria Bandres, however, who spent the afternoon in the corridors of the Congress, asserted that "As a matter of political repugnancy, we will never vote together with the AP." The leadership of Euskadiko Esquerra will have to state its position with respect to the pacts by the end of this week, and has it in its own hands to swing the voting in favor of the PNV or of the socialists.

The Basque Country's AP-PDP coalition has initiated a poll of its members to decide which way it will vote. The poll[s] already taken on other occasions by this party [as published] show a decided majority against the PNV, with which it has broken definitively following the unsuccessful outcome of talks aimed at agreement on issues involving seemingly concurrent views. The PNV, as is known, did not come through with the support of the right-to-life motion introduced by AP-PDP in the Basque Parliament, which it had promised to give in exchange for an undertaking by the coalition to unblock, through its presence, another vote on the parliamentary memberships-at-large.

Julen Guimon, a deputy of the Basque coalition, stated that the final decision will be taken in Bilbao, despite the "laboratory views" of some leaders close to Fraga who believe in the possibility of a long-term agreement of state with the Basque and Catalan minorities. The Basque Country's AP-PDP coalition would be inclined to back the socialists in this election, either under the terms of an agreement, or as a deal without quid pro quos. "The Spanish flag waving in Ajuria Enea, for example, would be a symbolic, but a sufficient, compensation," said Guimon.

9399

CSO: 3548/411

OVERVIEW OF VOTING PATTERN IN BASQUE REGION

Guipuzcoa EGIN in Spanish 10 May 83 p 6

[Article: "Biscay: Where PNV Loses Hegemony, PSOE Profits"]

[Text] With final figures in hand, and anticipating their official publication within a few days, several conclusions can already be drawn concerning the overall voting pattern and its particulars in Biscay alone, regardless of whether or not they coincide with what occurred in other provinces or Basque Country regions.

There is an incontrovertible fact, which is that Biscay showed a greater degree of nonparticipation than Araba and Nafarroa and a lesser one than Guipuzcoa, with a nonparticipant index of 34.38 percent of the electorate, while nonparticipation increased substantially in Bilbao, the capital, reaching 37.3 percent.

Another fact that emerges from the available figures is that the PNV [Basque Nationalist Party] continues gaining votes but is losing its hegemony in most of the large Biscayan municipalities, with the PSOE [Spanish Socialist Workers Party] profiting from this, and HB [Popular Unity] gaining nothing from it.

Once again, it is Bilbao that most reflects this trend that is being manifested in the major Biscayan municipalities. In the Biscayan capital, in fact, the PNV has lost two seats on the council, the PSOE has gained five, and HB has lost 50 percent of its seats, which are picked up in turn by EE [Basque Left], resulting in the following distribution of council seats: PNV 11; PSOE 9; HB 3; EE 2; and, not to be forgotten, the 4 picked up by the AP-PDP-UL [Popular Alliance-People's Democratic Party-Liberal Union] coalition of the five held by the UCD [Democratic Center Union] in the previous legislature.

Noteworthy in the case of HB is its loss of the mayoralty of Larrabetzu, where the nationalist vote, split between HB and PNV, swung this time in favor of the party in power in the Autonomous Government.

The most conspicuous figures emerging from last Sunday's elections show the PSOE garnering the most council seats in the municipalities of Abanto y Zierbana, Barakaldo, Basauri, Portugalete, San Salvador, Santurtzi, Ortuella and Sestao, but only in Portugalete and in Sestao has it also garnered the mayoralties; all the other municipalities will be headed by coalitions, pacts or alliances. This is another characteristic to be borne in mind as to what can take place in a matter of a few days.

It appears that EE is the party with the clearest idea, for the moment, of what it wants to do in regard to pacts: Build a bridge between the PSOE and HB. It appears, on the other hand, that it wants nothing to do with the Right, call it a "coalition" or call it the "PNV."

If we proceed from the banks of the river toward the coast, we find that in Ondarroa the PNV has garnered 10 council seats, HB 5, and EE 1; and that the PNV in Bermeo has succeeded in overtaking the independents 7-5, HB has won 5 and EE 1. Separate mention is due another large Biscayan municipality, Getxo, where the PNV's primacy with 12 council seats is followed by the AP-PDP-UL coalition's 5, and the PSOE's 4, which alone equals the sum of those won by HB and EE, two seats each.

Some Comparative Figures

Analyzing some figures from the standpoint of comparison alone--which, of course, everyone is free to assess according to his or her own views and criteria--it may be of interest to cite the numerical difference between the council seats obtained in the two legislatures elected to date, leaving aside the question as to whether it is more important or not to have gained or lost the votes or the seats. A comparison between 1979 and 1983 in Biscay yields the following figures: PNV, 543 then to 612 now; Independents, 225 then to 104 now; HB, 134 then to 133 now; PSOE, 90 then to 172 now; PCE [Spanish Communist Party], 30 then to 11 now; EE, 25 then to 47 now; AP-PDP-UL, 3 more in 1983 than the UCD's 21 in 1979; LKI [Revolutionary Communist League], 4 then to 1 now; ORT [Revolutionary Organization of Workers] and EMK [Basque Communist Movement], 1 each then, did not run as such in 1983; Auzolan 1 seat in 1983.

As for more significant figures from the standpoint of the leftist margin, it is to be noted that the PNV obtained more votes in Abanto, Barakaldo, Basauri, Portugalete, San Salvador, Santurtzi and Ortuella, but less in Sestao, than in 1979; the PSOE got more votes in 1983 in all of these centers, including Sestao, than in 1979; HB got more only in Valle and in Ortuella, namely, 2 seats and 1 respectively; and EE got more votes in 1983 in Abanto, Basauri, Portugalete, and Santurtzi, and less in Barakaldo, Valle, Ortuella and Sestao.

9238

CSO: 3548/414

BALCI ON POLITICAL PLOYS IN TURKISH CYPRIOT DEMOCRACY

Istanbul CUMHURIYET in Turkish 13 Jun 83 pp 3,11

["Problems in Politics" column by Ergun Balci: "Cyprus and Democracy"]

[Text] Do you know what the most striking aspect of TFSC [Turkish Federated State of Cyprus] is?

Its warm sun...Its sparkling sea...Kyrenia, one of the most charming ports in the world...Its shops where every type of product from the West can be found...Its renowned kebab...

None of them.

The most striking aspect of TFSC is its democracy. This is not a superficial just-for-show democracy. This is a real democracy which has taken root in the society and which has spread to the highest echelons of the administration.

When we arrived in Cyprus last week, we were told that [TFSC President Rauf] Denktas would hold a press conference the next day for journalists visiting from Turkey. The conference was to be held at 11:00 am at the Salamis Bay Hotel. It was 10:30 am when we arrived at the hotel accompanied by Tuncer Bahadir, an official from the Information Department. Since we had half an hour until the conference, we invited Mr Bahadir to sit with us at the bar until Denktas came. We entered the bar and while looking for a table, to our surprise, we saw Denktas sitting at a corner with one of his aides. We started talking after being introduced. Tourists in swimwear and shorts were passing by us while a group of young men and women were laughing and drinking at another table a few yards from us. We thought that we would go to the conference hall at 11:00 am. It turned out that the conference was supposed to be held where we were. We put together two tables and took our pens and notepads out. Right about then, Zafer Atay from TERCUMAN was returning from the beach and was going to his room to change. When Denktas saw him, he said: "Come over, the conference is beginning." Atay responded: "Sir, if you will permit, I will change and be back in a moment." Had Atay sat at the table in his swimming trunks, we would have witnessed the most interesting press conference held by a contemporary head of state. But it seems to us that Denktas would not have minded that at all. Because the Turkish Cypriot community is extremely at ease on such issues. The

TFSC does not seem to be too different from some Scandinavian countries where prime ministers go to work on bicycles or wait for the bus with other citizens at the bus station. Not surprisingly, the only ones in "formal dress" at the press conference were the journalists from Istanbul. Denktas and all his aides were wearing T-shirts or short-sleeved shirts.

That night we went to dinner at Kyrenia's famous Marabou restaurant with Mr Bahadir. A middle-aged, silent man was sitting with us at the table. I asked whether he also was an official of the Information Department. He replied: "No. I am Mr Bahadir's chauffeur. We have been friends for twenty years."

Next evening, we were invited to dinner at a well-known seafood restaurant by Information Department Director Oktay Oksuzoglu. Our driver sat next to Mr Oksuzoglu at the table. We learned that they used to be freedom fighters and that Mr Oksuzoglu used to be a corporal and the driver a regular infantryman. At one point, war memoirs began to be told:

"The shell that fell next to us was such a close call...We felt so cold the night we were waiting for the Greek Cypriots in the cave..."

In all the restaurants we went to in Cyprus, the drivers who took us around sat, ate and drank with us at the same table.

The democracy that is strikingly visible in everyday life is active in full force on the political arena. The opposition does not spare words in criticizing the government, while the administration--though sometimes uneasy--responds to criticism maturely, saying that "these are the rules of the game."

Republican Turkish Party leader Ozker Ozgur said in his office: "Goods worth billions of Turkish liras were looted in Cyprus, and the administration could not prevent that. Denktas has always wanted a confederation, not a federation." While Ozgur was saying these, two administration representatives were standing by our side. After the meeting was over, they shook hands with Ozgur smilingly and thanked him for receiving us.

Hasan Sarica, leader of the Confederation of Revolutionary Worker Unions, said: "Denktas spread the word of independence in order to save himself and his National Unity Party. He wants to drag the people behind him in this heated atmosphere and to get elected president again. In this process, he may contemplate early elections in order to wipe out the opposition." While he was saying these, there were again two representatives of the Denktas government standing by our side. After the meeting there were again smiles, handshakes and mutual thanks.

The Turkish Cypriot community is a society where the president comes to the press conference half an hour ahead of time and sits at the hotel's bar like a regular citizen, where directors have their chauffeurs sit with them at their dinner tables, where diverse viewpoints are extensively tolerated and where opposition and administration representatives shake hands with smiles even after the harshest criticisms.

It is a pity that while admiring the Swedish, British or the American democracy in our press we have not paid sufficient attention to the example of mature democracy displayed by the Turkish Cypriot community right next door.

This concept of democracy is perhaps the strongest element of the Turkish Cypriots.

9588

CSO: 3554/330

SODEP LAUNCHES PROMOTIONAL CAMPAIGN

Istanbul CUMHURIYET in Turkish 13 Jun 83 pp 1,7

[Text] Ankara--Following the setting of 6 November as the date for general elections for the assembly, it is reported that political parties will start focusing on organizational work as of this week. The Nationalist Democracy Party [NDP] will complete its organizational work by the end of June. The Motherland Party [MP] will also have organized in 25 provinces by the end of this month. The Populist Party [PP] will hold elections for its vacated membership seats tomorrow.

The Social Democracy Party [SODEP] will determine this week the guidelines it will use in organizing in provinces.

According to the information obtained, during meetings held last week, SODEP's Central Decision and Executive Council formed a small commission composed of three or four members to draw up the guidelines and procedures to be used in organizing in the provinces. This commission has begun its work and is currently preparing brochures embodying a summary of the party's program and constitution to assist the founding members who will take part in the organization effort in the provinces. In addition to these brochures, which are prepared to provide information about the party's general principles to individuals who wish to participate in the party's provincial organizations, certain information forms will also be printed. On these forms, founding members who will take part in organizational work in the provinces will report their interviews with individuals who are expected to serve as provincial representatives.

The SODEP Central Decision and Executive Council will meet again on 16 June to approve the decisions taken by this commission. After this meeting, founding members will most probably disperse to the provinces and collect proposals for provincial organization. These proposals will later be debated and ruled upon by SODEP's administrative bodies.

Meanwhile, it has been learned that requests have started to arrive at SODEP's General Secretariat from certain provinces. It has also been learned that these requests will be taken by the party's Central Decision and Executive Council.

SODEP officials stated that they are trying to organize in all 67 provinces.

Ertan Karasu, Deputy Secretary General of the NDP, made the following statement to the Anatolia Agency about his party's organizational efforts:

"Party leader Turgut Sunalp, who is continuing his contacts in Istanbul, will return to Ankara in the middle of this week. Meanwhile, efforts to organize at the national level have intensified. So far we have set up organizations in 11 provinces. We will try to raise this figure to 20 by the end of the week. Our goal is to complete our organizational work by the end of June and to enter July as a party which has organized itself across the entire nation."

SODEP Secretary General Ahmet Durakoglu said that his party "is gathering information about organizing in the provinces" and that "this work will be evaluated at the meeting of the party's Central Decision and Executive Council on Thursday."

PP leader Necdet Calp said that his party's Central Decision and Executive Council will meet today and hold elections for posts vacated by officers who were not deemed to be properly qualified to be founding members by the National Security Council. Calp said: "Following that meeting, officers will be sent to the provinces during the week for organizational work."

9588

CSO: 3554/327

NEW ASPECTS OF ELECTORAL LAW SURVEYED

Istanbul CUMHURİYET in Turkish 13 Jun 83 pp 1,7

[Text] Ankara--The Electoral Law, which was approved by the National Security Council [NSC], is expected to go into effect today after being published in the Official Gazette.

New provisions introduced by the Electoral Law are:

--After the Supreme Electoral Council [SEC] posts the provisional candidate lists, the NSC will scrutinize all the candidates. This scrutinization period will last 12 days. The NSC will be able to "veto" candidates who are not deemed to be properly qualified. The appointment of new candidates to replace those vetoed will need the permission of the NSC. If new candidates are not named, the party concerned will have to enter the elections on an incomplete list. Independent candidates will also be subject to the "veto" rule.

In these elections, parties will not be able to run with two tiers of candidates and will not be able to indicate their "preference" for certain candidates.

--There will be a nationwide electoral threshold limit of 10 percent. There are also thresholds at the province level. The threshold limit at the province level will be determined by dividing the number of valid votes cast in a given province by the number deputies allocated for that province in the assembly. Parties and independent candidates who receive fewer votes than the number thus obtained will be dropped. Authorized circles explained this with an example:

For instance, 220,000 valid votes were cast in Tokat in the 1977 general elections. Tokat had seven deputies in the assembly at the time. Thus, 220,000 divided by 7 is 31,000. In that election, a small party won a seat in the assembly with 23,360 votes. Under the new system, that party would not be able to win any seats.

--Whether a party wins any seats in any given province will first depend on whether that party has surpassed the 10-percent national threshold.

Consequently, after determining the number of valid votes cast across Turkey, the SEC will announce the actual 10-percent threshold limit and the parties which surpass that limit. Later, the parties which win at the province or electoral district level will be announced. The names of independent candidates will also be announced if they surpass the province threshold limit.

Electoral Map

--In the new system, 55 provinces will have 7 or less deputies in the assembly, and 12 will have more than 7 deputies. Consequently, regions which will be represented by more than seven deputies in the assembly will be called "electoral districts."

--The SEC will prepare a map which shows the electoral districts.

Large provinces will be represented by fewer deputies than in the past. For instance, Istanbul will have 36 deputies instead of 42 and Ankara will have 22 deputies instead of 26.

While 27 provinces will be represented by fewer deputies, 3 will have more deputies in the assembly.

The provinces which have lost seats in the assembly are: Aydin: 6 (down from 7); Balikesir: 7 (down from 9); Bolu: 2 (down from 5); Bursa: 10 (down from 11); Corum and Denizli: 5 (down from 6); Elazig: 4 (down from 5); Erzurum, Gaziantep, Hatay and Icel: 7 (down from 8); Istanbul: 36 (down from 42); Izmir: 16 (down from 19); Kars: 6 (down from 8); Kastamonu: 4 (down from 5); Kayseri: 7 (down from 8); Konya: 13 (down from 16); Manisa: 8 (down from 10); Mardin: 5 (down from 6); Ordu: 6 (down from 7); Samsun: 8 (down from 10); Sivas: 7 (down from 8); Tokat: 6 (down from 7); Trabzon 6 (down from 8); Urfa: 5 (down from 7); Yozgat: 5 (down from 6); and Zonguldak: 8 (down from 9).

The number of assembly seats for Bingol, Bitlis and Burdur has been raised from two to three each.

--Electoral districts will be restricted to regions with seven seats in the assembly.

--Turkish citizens living abroad will be able to vote in these elections if they have registered as voters in Turkey and if they voted in the constitutional referendum.

--Eligible voters who do not vote without an acceptable and legal explanation will be subject to a fine of 2,500 Turkish liras.

9588

CSO: 3554/327

RIGHT REPORTEDLY ATTACKS ARMY CHIEF OF STAFF

Lisbon O JORNAL in Portuguese 9 Jun 83 p 15

[Article by C.B.]

[Text] The space and attention given to the armed forces in the documents framing the PS [Socialist Party] PSD [Social Democratic Party] government accord is half of a line, six words. Paragraph b, point 3 of the political agreement states: "Give prestige to and modernize the armed forces." To a high ranking military man contacted by O JORNAL the explanation is simple: "At this time we pose no political problem to the government. There is a great deal of unease about the future, some hope in the solutions being tried, but also much calmness."

Meanwhile, the armed forces question began to be raised in the most superficial manner during the last few days. The "opportune" disclosure of the decision handed down by the Supreme Military Tribunal about 2 months ago concerning Brigadier Carlos Azeredo's punishment and, particularly, General/Judge Soares Carneiro's vote of defeat, led to defense minister designate Mota Pinto being asked about the changes in the chief of staff positions the government would propose to the president of the republic.

The current regulation contained in the defense law giving the government 5 days to confirm or change service chiefs, has not yet been set in motion. As a result, the formal beginning of the 3-year mandates for chiefs of staff contemplated [in the law] has not started. In reality, at least two chiefs of staff, the navy and air force, have already surpassed (the second by a wide margin) that time frame.

Garcia dos Santos Again in the Order of the Day

Once again the attention and the attacks of Rightwing groups are being directed at the army chief of staff, considered to be a man who enjoys Eanes' confidence and former head of the president's military household. He was the number two operational military man of 25 April and 25 November. On the other hand, the anti-Garcia dos Santos tendency, which according to what we learned is supported by some general officers, has lost ground as the recent elections to service councils showed. Military sources close to the general staff told us that contrary to what has adversaries expected, time has favored Garcia dos Santos' position. Garcia dos Santos was initially considered with reservations by many

officers for the simple fact that he did not belong to a military branch, such as artillery and cavalry, considered to be operations. The same sources insist that only officers who are not well informed consider the communications branch, where Garcia dos Santos had a brilliant career, to be a second-class branch. The sophisticated systems needed to equip armies today do not permit such a conclusion to be reached. Furthermore, it can even be said that recent local wars make communications and electronics (which, today, is its reason for being) a decisive element.

Freitas do Amaral's Motives Surpassed

Strangely, when then defense minister Freitas do Amaral expressed his desire to fire Garcia dos Santos in December, he made it a point to stress that he was not doing it on the basis of that general officer's competency. At the time, three arguments were presented which the new defense minister will have difficulty in taking up: break down in relations between the army chief of staff and the defense minister; Garcia dos Santos disagreed with the defense law (disagreement shown before law was approved) and the general's statements on the possibility of sending Portuguese troops to Lebanon (which displeased the government). All these reasons are no longer valid.

Moreover, an eventual dismissal of Garcia dos Santos, an officer of working qualities and professional competence beyond doubt, would naturally be taken as a government desire to confront the president of the republic and as a measure against the only "April military man" holding such a high level position in the armed forces hierarchy.

The government will have difficulty in raising the chiefs of staff question if it does not avoid the temptation to individualize possible changes. However, the military sources we contacted point out that the true fundamental problems arise in the reequipping of the armed forces and its possible cooperation in the country's economic recovery.

9935

CSO: 3542/144

GENERAL

TURKEY

CALL MADE FOR REVIEW OF TURKISH PENAL CODE

Istanbul MILLIYET in Turkish 13 Jun 83 p 6

[Text] Ankara--A reassessment of penal policy and a review of the Turkish Penal Code has been urged. The "Justice Services" report prepared by the Special Experts' Commission of the 5th Five-year Development Plan notes that the "penal laws" in European countries were completely reviewed after World War II and were extensively changed. The report assesses the state of the penal code in our country as follows:

"The penal code in effect in our country has never been subjected to an overall review, none of the crimes specified by the code have stopped being crimes and no new crimes appropriate to the changing economic and social conditions have been added to the code. Meanwhile, penalties that were already too severe have been made even harsher. The harshness of the penalties has only brought about amnesties instead of preventing crimes. As a result, contrary to expectations, penalties in Turkey have lost much of their deterrent capability."

The Special Experts' Commission proposes as measures the review of penal policy and a complete overhaul of the Turkish Penal Code after deciding on an appropriate criminal and penal policy. The report adds:

"Certain crimes embodied in the current code must be dropped and a new legal arrangement must be made to promote new implementations, measures and alternatives to replace punishment, to preserve the socioeconomic order of the country and to reflect growing complications in social relations and life and new forms of crime in recent times."

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CSO: 3554/333

END